

JPRS-NEA-86-051

21 APRIL 1986

# **Near East/South Asia Report**

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## BAHRAIN

## INTERVIEW WITH MINISTER OF DEVELOPMENT AND INDUSTRY

Massom GULF MIRROR in English 10 Mar 86 p 5

[Text]

**HE YOUSIF AL SHIRAWI** Bahrain Minister of Development and Industry, is one of Bahrain's most respected and astute government guardians.

As leader of a ministry which is subject to constant change and growth, he faces a difficult and challenging task.

In this interview with Gulf Mirror reporter Belinda Seward he speaks frankly and openly about the changes he has seen his country undergo and gives his own honest predictions on the future.

**Q. Gulf Mirror :** The Bahrain-Saudi Arabia causeway has been called a bridge of the future. The construction work on the historic link is now complete. When does the minister anticipate it will be fully operational?

**A. Mr Shirawi :** The causeway authority has been established by the governments of the two countries by Royal decrees and the authority members are meeting in the coming 15 days. There are about four or five remaining causeway contracts which will be completed during this year, but it is the intention of the causeway authority not to wait until the opening ceremony, but use a commissioning period between May, June, July, August and the opening towards the end of the year. The idea is that from May some facility of some sort will be available. I don't know

whether this will be broken into stages or be a continuous acceleration of movement. It is up to the authorities to decide.

**Gulf Mirror:** Will there be any restrictions on flow of traffic between the two countries? Can we expect to see the same visa and passport regulations?

**Mr Shirawi :** Remember, a causeway is a causeway between two sovereign states. There are existing rules and regulations and these cannot be changed without legislation. However, one of the main items on the agenda of the causeway authority is to recommend amendments in some immigration laws to accommodate the GCC economic agreement as well as the crossing between Bahrain and Saudi Arabia.

**Gulf Mirror:** Does the minister think the causeway will have a dramatic affect on prices in Bahrain? Does he expect

to see a significant drop in prices?

**Mr Shirawi :** I am led by data available from the Ministry of Commerce which has been studying this, but I would say the general feeling is yes. However, I don't think there will be a massive reduction in prices on the scale maybe we have been hoping. I think the causeway will help put the Bahrain market a little more on its feet and we are going to be more competitive. Certainly we will benefit on an economic scale from the quicker movement of goods as there will be no double and sometimes quadruple handling of fresh foods, fruits and vegetables. I see two main advantages of the road link, namely that it will cut the expenses currently incurred by this double handling and the amount of damage to the goods will be less. Insurance costs will be less, the losses will be

less and this is bound to bring prices down.

**Gulf Mirror:** Turning to the problem of Bahrain's unfilled new apartments and office blocks. Does the minister think the causeway will help to fill these?

**Mr Shirawi:** I don't think so. It is my calculation that there will not be a massive coming over from A to B or vice versa. Rents in some areas in the Eastern Province of Saudi Arabia are cheaper than in Bahrain, but I don't think business will move there just because it is cheaper and in the same way I don't think businesses will leave the Kingdom to come here.

There are bound to be borderline cases, but I don't envisage a huge migration of population or business.

**Gulf Mirror:** So you think Bahrain's business and banking structure looks set to remain pretty much the same?

**Mr Shirawi:** There maybe more facilities because of the causeway, but the general way of life will remain the same in Bahrain. People will find a natural way to adjust themselves.

**Gulf Mirror:** Will the causeway generate more joint industrial ventures between the two countries?

**Mr Shirawi:** This is already happening. We have a joint venture in the cement industry in Saudi Arabia. We also have links with the Saudis in petrochemicals and aluminium. The causeway will become a very convenient way of transporting haulage and it will be safer to transport materials in one block by road.

**Gulf Mirror:** What does the minister see as the one single benefit of

the causeway above anything else?

**Mr Shirawi:** Taking the Bahrain point of view now, we are a member of

the GCC and equal in everything except the road links. Air has its own attraction and so does the sea, but other GCC countries have the advantage of being linked by road. The causeway can only help give Bahrain a better geographic advantage. History has proved that tunnels, railways and roads bring nourishment to the activities of both countries. The Saudis will benefit from the industrial links and tourism from Bahrain.

**Gulf Mirror:** Is there concern that either of the two countries, particularly Bahrain because it is so much smaller, will lose their autonomy?

**Mr Shirawi:** We are already sharing one big field. We have the umbilical cord of oil going from Saudi Arabia. We are already linked if you like. In fact, the causeway is an effect of the policy of integration and not a cause of it. This is the culmination of relations that began 50 or 60 years ago of quick industrialisation.

**Gulf Mirror:** There has been talk about the possibility of linking Bahrain and Qatar by causeway. How close is this to becoming reality?

**Mr Shirawi:** You must appreciate if we are linked with Saudi Arabia then we are in effect linked with five countries. The distance between the Eastern Province and Qatar is very short and there are good communications. In my judgement we don't need a causeway with Qatar.

**Gulf Mirror:** Turning to the economy now, how is the current oil price crisis affecting both Bahrain's industrial and economic standing?

**Mr Shirawi:** The situation is so unusual we are almost seeing a Suq Al Manakh in London. We (the Gulf) are passing into a change. Oil is no longer a substance surrounded by mystique. Maybe it is becoming a commodity. People know and speak about the price of coffee, the fluctuations of sugar, jute and also silver and aluminium, but these don't capture the imagination like oil. Within 24 months the price of aluminium can go up and come down by 100 per cent, but this didn't strike the imagination of the world. Maybe oil is different. I don't know why. But, the repercussions of much cheaper energy are going to run very deep for the price of energy in the future.

**Gulf Mirror:** You sound very concerned. Just how serious is the situation at the moment?

**Mr Shirawi:** Yes we are worried, but established industry here is going to be all right. The only problem is that governments in the region will have less cash to spend on projects and general economic activities. I am not about to start prophesying gloom and doom. I am all for expansion and boom.

**Gulf Mirror:** When can we expect to see this expansion and how can Bahrain and the rest of the Gulf pull out of what you agree is a unique situation?

**Mr Shirawi:** We are now paying for what happened to the oil market between 1980 and 1981 and the way the industrial world speculated on the price of oil that allowed it to go unnecessarily to \$35 a barrel. I think the price of oil must hover between \$22 and \$25 pb less than that and it will hurt. The smaller oil producers in the United States, who were maybe pumping out five barrels a day at around \$18 have ceased operation. This has cost American \$1 million. But what can be done? America could set a tax, but then Europe would follow and we would see a crash that we saw in the 1920s.

**Gulf Mirror:** Do you really think we are moving towards that sort of situation again?

**Mr Shirawi:** I really hope the world has learned a lesson from that and I hope some sanity has been brought to the market. The \$35-\$40 cost per barrel was just a ridiculous as \$15 to \$20 now is.

**Gulf Mirror:** The opening of GARMCO rolling mill last month was a turning point for Bahrain's industry. How does the minister see industry developing in the future?

**Mr Shirawi:** The aluminium industry is expanding well and we will see the addition of the foil plant to GARMCO in the near future.

We are also trying to put Aisco on good footing. The Arab Fund for Development is lending a hand with this and it looks

set that the coils will be produced. Money is also being made available for experts to evaluate the project and we are looking at ways of making this

scheme more viable. Other industrial ventures are under study which includes the tyre factory.

**Gulf Mirror:** Turning to privatisation now when can we expect to see Gulf Air become a private enterprise as opposed to government owned? Are you in favour of privatisation as a policy?

**Mr Shirawi:** I am only one government in four, so I am not really qualified to make a statement about Gulf Air, but I can say this is still under study by the airline board. Generally speaking I am a great believer in large private concerns and small government.

**Gulf Mirror:** Do you think it is important that Bahrain retain and in some cases revive traditional industries? For example, you showed a particular interest in the possible revival of pearl diving.

**Mr Shirawi:** The pearl diving is still in the research stage. Traditions are very important. We are not sure if we can make this particular industry commercial again, we can only try. But, we can get cultural values from this and it also helps

our own ego and of course the tourist industry.

**Gulf Mirror:** Finally, Bahrain marked 14 years of independence in December last year. What are your thoughts and predictions for the next 14 years?

**Mr Shirawi:** I think we have achieved maturity and I hope that as a country we will maintain the elan vitale which will keep our spirit young and our hopes fresh. We have the ingredients for this. We have good leadership at the very top and a basic very, very sound middle class.

I hope this affluence of the last few years will be a passing phase and the Bahrainis will settle as they have always settled into honourable hard work.



IRAQ

## COMMANDER REVIEWS AIR FORCE'S HISTORY, ACCOMPLISHMENTS

Baghdad AL-JUMHURIYAH in Arabic 6 Jan 86 p 5

[Interview with Air Marshal Hamid Sha'ban, air force and air defense commander]

[Text] One of the important branches of our valiant army is the air force and air defense branch. We visited this branch and conducted a detailed interview with Air Marshal Hamid Sha'ban, the air force and air defense commander, at his office so that he could tell us about the history and relationship of the birth of our great Iraq's national army and the foundation of the valiant air force within the framework of this army and to tell us also how this force has become so capable and so strong with the development of the army's various branches in the wake of the inception of the party's and people's revolution of 17-30 July 1968. We then carried on with the interview to talk about the war of aggression imposed on our struggling country by the evil, malicious, and lackey forces in Tehran, about the magnificent role which our air force has played and continues to play in striking the aggression's junctures and in destroying the capabilities and mainstays on which this aggression relies, and about the coming phases of our honorable struggle against the enemies of Iraq and of the Arab nation. Following is the text of the interview:

### The Giant's Birth and Development

[Question] Please give us a historical glimpse tying the history of our heroic Iraqi army with the development of our valiant air force. What, in your view, are the most significant phases undergone by this force from its founding until the present?

[Answer] The Iraqi air force was founded on 22 April 1931, i.e., 10 years after the founding of the heroic Iraqi army, when the first flight unit was formed. Expansion was undergone by the air force inasmuch as it was undergone by the other military formations. In 1932, the first squadron of the air force was formed and it specialized in public service and transportation duties. The Air Academy was founded and the second squadron was formed in 1933. By 1941, the air force was comprised of seven squadrons. This force exerted ceaseless efforts to achieve whatever enabled it to serve the people's objectives in every phase whereas the reactionary forces and their



masters, the colonialists, tried to bind the air force with numerous shackles to prevent the development and modernization of this force and of the other army branches for fear of the army's well-known national role. The Air College was founded in 1950 and became the main route for graduating pilots. Despite the development and expansion undergone by our air force in the wake of the 14 July 1958 revolution, the major turning point in the course of developing and modernizing this air force came after the great 17-30 July 1968 revolution as a result of the attention and care devoted by the party's and revolution's leadership to enable the air force to perform its national and pan-Arab role in the ideal manner.

Our valiant army's history has been an honorable history from the moment of this army's birth until this moment. This army has reflected and continues to reflect the people's aspirations and national and pan-Arab objectives. This fact has been embodied in our army's effective participation in the popular national uprisings against the defunct dictatorial and reactionary regime. In May 1941, the army rose against the reactionary regime and this exposed it to a British military reaction which paralyzed our force when our aircraft in al-Habbaniyah were subjected to raids by British aircraft for fear of their national role in that popular uprising. Our daring army, including our air force, also took part in the people's revolutions of 14 July 1958 and 8 February 1963 and the 17-30 July 1968 revolution under the leadership of the Socialist Arab Ba'th Party. This is in addition to this army's honorable pan-Arab role in the Arab nation's battles against the Zionist enemy in 1948, 1967, and 1973. Today, our heroic air force and the various branches of our valiant armed forces are writing immortal pages in the glorious battle of Saddam's Qadisiyah in defense of the great Iraq and of our glorious Arab nation against the treacherous Persian enemy.

On top of this and that, the history of our heroic army, our air force, and our air defense attests with decisive proof that this army's strength and rise have been derived from the gigantic July 1968 revolution led by Saddam Husayn, the triumphant knight and the venerable leader president, may God keep him.

#### Leader's Interest in Building Air Force

[Question] How has our brave air force developed to become so clearly capable and what do you say about its role in forming the Iraqi deterrence against the aggressor forces and in scoring victory after victory in our just war against the malicious Iranian enemy?

[Answer] As we have already said, the 17-30 July revolution was the true beginning of the birth of the air force which has enjoyed the attention and care of the party's and revolution's leadership whereas the previous regimes intentionally refrained from giving this force its real role in the national and pan-Arab tasks. The formations have been expanded and supplied with the latest types of aircraft and of other requirements, such as armaments, munitions, and equipment. New squadrons have also been formed. Moreover, the air defense formations have been developed and supplied with the latest weapons and other modern systems. The party's and revolution's political

leadership, headed by Leader President Saddam Husayn, may God keep him, has also devoted attention to the psychological and intellectual development of the air force and air defense fighters, to strengthening their pan-Arab culture, and to fortifying them so that they may be qualified to carry out the national and pan-Arab tasks. The glorious battle of Saddam's Qadisiyah has been a testing ground for the firm structure of our air force which, along with our air defense, has displayed a heroic capability in defending our great Iraq. This escalating capability was demonstrated clearly in the decisive Iraqi response to the aggression of 22 September 1980, in gaining full supremacy and in contributing effectively to repelling the Iranian offensives, in addition to destroying many of the enemy's installations and resources with which this enemy finances its aggression--a contribution crowned with the strike against and the destruction of Kharj Island.

Since the aggression started, the wise leadership has taken into account all the possibilities of confronting and defeating the aggression. Our heroic air force has performed the tasks entrusted to it by the command in accordance with a plan drawn up for the purpose on the instruction of the political leadership, headed by the leader president, may God protect him. The tasks began with an intensive air strike which our air force carried out against the enemy bases and airfields in the heart of Iran on 22 September 1980. Moreover, our air defense has contributed effectively to reducing the enemy air force and to preventing it from achieving its aggressive objectives of inflicting harm on our cities and striking against our installations. We have also provided support for our ground units in the operations theater and contributed to destroying the units participating in the enemy's successive offensives, the latest such offensive being the crown of battles in which our air force performed a prominent role in repelling and destroying the enemy offensive.

Our air force has been able to establish its absolute control over the contested air space and to prevent the enemy air force from performing its aggressive role. As a result of the Iranian ruler's determination to prolong the war, our heroic eagles have carried out numerous strikes against the mainstays of aggression and treachery that are aimed at destroying our renaissance, especially strikes against Kharj Island to paralyze and destroy the source of aggression.

#### Precise Plan To Destroy Enemy Targets

[Question] Regarding the issue of the blockade, of the destruction of the Iranian enemy, and of the strike against Kharj Island, why has the timing been different and what are the details of the decisionmaking, beginning with causes and ending with results? How did the eagles carry out the decision and what are the short-term and long-term consequences?

[Answer] As a result of Iran's insistence on prolonging the war of aggression against our struggling country, the leadership formulated, as we have already pointed out, a complete plan to deny the Iranian enemy the resources which he employs to continue the war by cutting off and destroying its oil supplies, its economic installations, including Kharj Island, and its air

installations. It has been an escalating plan, beginning with the naval blockade against Kharj and the Iranian ports overlooking the Arab Gulf. Orders were given to the air force to implement the land blockade. Numerous hostile ground targets in the blockade zone were destroyed and numerous warning strikes were carried out against Kharj Island's piers and installations to prove to Iran that our air force is capable at any time of destroying the island and other Iranian installations anywhere in the heart of Iran. Because the Iranian side rejected the peace appeal and persisted in its aggression, the leadership decided to destroy Kharj Island on 15 August 1985. A daring plan was drawn up to destroy the island and all the requirements were secured to carry out the decision and the instructions of the leader president, may God keep him. The island's eastern pier--which is the most important--a western loading terminal, and a fuel pump in the center of the island were completely destroyed. Our planes then continued to drop dozens of tons of bombs on the island's installations until the western pier and the island's northern loading terminal were destroyed on 19 September 1985. The island has thus been completely destroyed but it continues to be subjected to strikes so that we may keep it from serving the Iranian aggression. This is in addition to the strikes carried out against the other vital installations, such as the enemy's oil fields, the iron and steel plant in Ahwaz, the fuel pumps in the heart of Iran, and other targets for the purpose of paralyzing the Iranian economy which finances this war of aggression.

These painful blows and courageous operations have had their major impact on curtailing the enemy's ability to persist in its aggression against our struggling country and our peaceful people. Moreover, the blows and operations have been tantamount to an eloquent message telling the enemy that the path of peace is the safest path for all peoples.

[Question] What is your recollection of the air victories scored by our heroic army from the time of its founding until our day?

[Answer] If we were to answer this question in detail we would need to dwell at length on a subject that urges us to be brief on this dear occasion. However, we can point out a number of great air victories in our modern Iraqi and Arab history.

These victories begin with Iraq's rebellion against British colonialism in 1941 when our air force took part in the honor of the battle and fought the British planes, which were sophisticated planes at the time. Our air force also participated with obvious effectiveness, despite its limited role, in the 1948 battles of Palestine.

Our air force's role in the June 1967 battles is well known, considering that it continued to operate throughout the war, despite its short duration, in defense of the Arabs' air space and soil. It was able to down in a single dogfight five of the Zionist aircraft. One of the Zionist pilots was captured at the time.

In October 1973, our air force performed an honorable role and took part in the first strike on the Egyptian front, using Hunter aircraft.

Four squadrons also entered Syrian air space and played a role about which the world talked throughout the 3 weeks of the battle. Our air force also scored national victories against the lackey secessionist gangs in the northern part of our country. We have already talked about its role in the glorious battle of Saddam's Qadisiyah.

#### We Are Moving on the Path of Certain Victory

[Question] Where do we stand insofar as the coming phases of the war are concerned and where does the malevolent enemy stand?

[Answer] The picture is clear before you. We have settled the victory in favor of heroic Iraq. We are on our way to the final victory. As for the evil Iranian enemy, he is on his way to his inevitable doom to reap the fruits of the evil his sinful hands have planted and of the crimes he has perpetrated against humanity. It is the Iraqi steadfastness versus the ugly defeat of Iran's tyrants and their fall into the abyss.

We must reaffirm what the venerable Leader President Saddam Husayn, may God protect him, said recently, namely that 1986 will be the year of the air force, because what he has said is a decision and a command which we strive to achieve. We hope that this year will witness decisive developments insofar as our armed forces are concerned, especially our air force which has actually begun to strike against and destroy the enemy wherever he may be in accordance with a precise and coordinated plan.

When the leader said that Iran must learn that the war generation comprised of recently graduated pilots is taking part in striking the enemy's vital targets in the heart of Iran, he was stressing that the development of the armed forces, especially the air force, under these critical conditions and the attention devoted to the training establishment have reached the level whereby the war generation of recently graduated pilots is taking part in air battles and achieving brilliant results that make us more optimistic regarding the future.

I wish to ask those who say that the weakness of the enemy's air force is the reason for our air superiority: Is it reasonable to consider the force which has been known to the world as a fifth force and which the shah built and, by the testimony of both the military and the politicians, which he equipped with the latest weapons produced by the world's technology--is it reasonable to consider this force weak?

I tell them that the weapons available to Iran are the most sophisticated weapons, including aircraft and equipment, available to the advanced countries. But one of the warring forces must have superiority over the other, especially when a war is a long-drawn-out war like ours. The enemy tries to confront our air force with all the power it possesses. But Iraq's overwhelming superiority in morale, in experience, in expertise, in psychological stability, and in boundless support from the leadership has made the enemy's crows tremble in the face of Iraq's eagles. This is confirmed by the fact that our air space has been free of enemy aircraft for a long time.



It is no secret that Iraq possesses technical means that enable it to acquire accurate and detailed information on the enemy's movement, his vital targets, his weak points, and his permanent and temporary camps both in the battlefield and in the hinterland.

Therefore, I say, relying on the facts, that we have for the enemy unpleasant surprises that will cause him to lose successively whatever economic, oil, and military capabilities he continues to possess.

You find that we strike at the camps and we do this for two reasons: First, because they have been built to amass and train the capabilities and resources which are considered the first line of offense against Iraq--a line built with high technology to provide a refuge for the enemy's main forces on all occasions. The constant destruction of these camps denies the enemy their benefits.

Second, we have a very clear plan for striking against and destroying the enemy concentrations in advance and before he launches his aggression against our sacred borders.

[Question] What is your analysis of the treacherous Zionist attack on the Tammuz reactor?

[Answer] The leader president, may God protect him, has referred to this issue repeatedly. The Zionist enemy exploited our preoccupation with the ongoing battle and penetrated, through close cooperation with the imperialist countries and at a time when our air defenses expected no such penetration, to the site of the nuclear reactor and hit the reactor.

It is certain, rather it is a national and pan-Arab duty, that our defense forces must correct this serious flaw, whether concerning this vital target or other vital targets which Israel is likely to attack, exploiting certain international circumstances. But it is our assessment that the enemy's loss will be bigger than his gain should he embark on such an attempt. Our air force and our heroic eagles are eager to confront the Zionist force of aggression as they confronted it in the past. The Zionist enemy is well aware of the capability and courage of the Iraqi pilot.

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KUWAIT

DIRECTOR OF DOMESTIC NEWS AGENCY DESCRIBES OPERATION

London AL-MAJALLAH in Arabic 12-18 Mar 86 pp 78, 79

[Interview with Birjas al-Birjas, Director General of KUWAIT NEWS AGENCY:  
"This Is How We Deal with Planted News"]

[Text] The news agencies are the true blood that runs in newspapers' veins and arteries and makes them pulsate with life and movement. More than that, they sometimes in effect are the lung which receives the wheat and chaff, sifts out, purifies and distributes. This statement applies to news agencies which respect themselves and respect the truth, whatever sacrifices that might cost. What there is no doubt about is that KUWAIT NEWS AGENCY is one of these agencies which have imposed themselves on the Arab and international arenas with their activity, movement and success.

AL-MAJALLAH met with Mr Birjas al-Birjas, director general of KUWAIT NEWS AGENCY, KUNA, during a visit he recently made to London, and asked him to present a realistic picture from inside the Kuwaiti news agency. Al-Birjas began the conversation about KUNA with its origins, saying:

"On 6 October 1976, a decree was issued, the first article of which stipulated that a general organization with a legal personality would be established by name of KUWAIT NEWS AGENCY, which the minister of information would supervise. Attached to the draft decree was an explanatory memorandum which spoke about the agency and the motives which resulted in its establishment. In the memorandum it was stated that in view of the important position Kuwait has in the Arab East and Gulf, in view of the extreme importance the Middle East, and the Arab countries in it in particular, have from the strategic, political and economic standpoints because this region lies at the intersection of three continents, in view of the resources and bounties God has bestowed, and in view of the influential effect deceptive colonialist and Zionist propaganda, which distorts the facts, has in forming international public opinion, it was considered appropriate to establish a Kuwaiti news agency, with the purpose of gathering news and news materials to present the facts and distribute these materials to news organizations and individuals to provide them with the greatest possible amount of complete, impartial news services, in order to confront deceptive propaganda, fill the vacuum existing in the realm of the acquisition of news in the area and convey it to world public opinion truthfully and with integrity.



"Benefiting from KUNA's news services are 126 local subscribers and 106 subscribers outside Kuwait.

"In determining the fees for subscribing to the Arabic and English news service, it was considered that they should be made to conform to their different forms of coverage. These fees differ from group to group, in accordance with each group's need for KUNA's news and the benefit it gets from it.

"The number of the agency's offices abroad at present comes to 17, distributed among a number of Arab and world capitals, in addition to 35 correspondents without offices. The number of news items KUNA disseminates each day comes to about 600, differing from day to day in accordance with the frequency of events. For example, the number of news items on Wednesday 19 February 1986 was as follows:

"Local Arabic transmission, 253 items.

"Foreign Arabic transmission, 186 items.

"Local English transmission, 186 items.

"Foreign English transmission, 161 items.

"As to the approximate number of words, that comes to 60,000, which is roughly the daily average. There is a special publication for Kuwaiti embassies abroad which KUNA disseminates daily. The number of items in that on that day came to 47. As to the Arab news agencies bulletin KUNA assembles and distributes to Europe each day by the name of the FANA publication, that came to 36 items on the same day."

Concerning the most important items of news KUNA treated as exclusives which achieved a great echo in the international context, al-Birjas said:

"The fact is that the news items which KUNA treated as exclusives or in which it recorded a scoop were very numerous. Among them were the news of the Israeli aggression against Lebanon in 1982 and the unfortunate explosions which took place in Kuwait on 12 December 1983. One should bear in mind that what most concerns KUNA is that its news always be supported by the facts, so that it will prevent the publication of news which has been twisted by certain Western or hostile media."

[Question] What about the agency's independence and freedom to publish?

[Answer] The decree establishing it provided it with total independence. It gave the responsibilities for it to a board of directors which sets out its working policies and supervises their execution. The status of oversight in the agency is internal and it has not happened that the government has interfered in its activity.

[Question] Is a specific style followed in formulating the news locally and internationally as far as KUNA is concerned?

[Answer] The style followed is to pursue the approach of what is most important, important and least important and details and background information, and concern to have the news respond to the demand for information from the reader, listener and observer, free of provocation, exaggeration or alienation from objectivity and balance, as well as the concern that the language of the news be easy, correct and clear.

On many occasions no distinction exists, because the standards are the same, but when circumstances require that the local news coverage contain details required by the citizens' desire for knowledge, while the desires of subscribers abroad does not require this, the editors provide two forms of coverage, one local and the other foreign. There also are some purely local items of news which do not concern subscribers abroad and it is sufficient that they be disseminated locally. That applies to news which is formulated in the Arabic and English languages.

[Question] Do some publications and papers publish your news items and attribute them to themselves?

[Answer] No, that has not happened, but it has often happened that they have published our news items without mentioning that they obtained them from KUNA.

[Question] Does the intention exist to expand and spread out?

[Answer] KUWAIT NEWS AGENCY was established recently. It is a young agency. However, its development is progressing with stable rapid strides. The achievements KUNA has realized since its establishment are no less important than those other agencies which preceded it in this field have realized. KUNA is a member of the Federation of Arab News Agencies, the Gulf News Agencies and the group of agencies of the nonaligned countries. The Arab news agencies have chosen it to be a center for the collection and dissemination of their news in the English language on the satellite line to their office in Vienna, which in turn transmits it to Eastern and Western European news agencies.

[Question] You must face difficulties in carrying out your work. What is the nature of these difficulties?

[Answer] The most important of these difficulties are those we face covering events in areas where we do not have correspondents. Generally, we face those by sending people who monitor these events and cover their developments. Although our network of correspondents is not bad, it still needs to expand further to cover most areas of the world.

There are expansion and deployment plans which the agency is trying to carry out. The plan of the agency's new building heads up these projects. The agency is also preparing thorough studies for the use of video news equipment to prepare and transmit news automatically and increase the number of satellite reception and transmission lines with the goal of raising operating competence and getting news materials as accurately and rapidly as possible.

[Question] Some international bodies and organizations try to plant news items to serve specific objectives. How do you find protection against these plants?

[Answer] The soundest method is to ascribe the news to its sources. If any item of news contains incorrect information, the person to blame is the source of the news, not the agency. This sort of news item has a contrary effect. In addition to this, the agency denies the information received in the planted news as soon as it learns of it. There also are other protective methods, including the suspension of any news item we have doubts about until we confirm its veracity.

[Question] How long does the news take from the moment you learn of it until it gets to the subscribers?

[Answer] If it is complete in terms of its elements and there are no flaws in it, the process takes only a few minutes.

[Question] Who makes the decision? Does the editor or the translator have freedom of decision and publication?

[Answer] The responsible editors are the ones who make the decision in the framework of their media experience and the procedure which has been furnished to them since dissemination in the agency started on 11 March 1978. This is done through continuous consultation with the editor in chief.

There actually is no special publication policy, since we are a news agency which covers the most extensive events it can and transmits news to other media domestically and abroad. It is therefore a transmitter of events, activities and developments and not a maker of them. However, it is clear that in its news coverage it gives full attention to the higher interests of its country and attention to the news of fraternal and friendly countries and contemporary human issues.

#### Settlement of a Dispute between Brahimi and Al-Birjas

Birjas al-Birjas headed up the Kuwaiti journalists meeting the Algerian foreign minister Ahmed Taleb Brahimi, who was on an official visit to the Gulf countries, including Kuwait. In the course of the questions and answers, the director of KUWAIT NEWS AGENCY asked a long question at the beginning of which he talked about the nationalist position of the Algerian revolution and the Algerian government, then followed that introduction with a question which the minister did not like.

Al-Birjas' question led to the Kuwaiti press' failure to publish the entire interview.

KUWAIT

BRIEFS

BANKING, FINANCE, CUSTOMS APPOINTMENTS--The amir of Kuwait at 1000 received the Minister of Finance and Economy Jasim Mohammad al-Kharafi, who introduced Shaykh Salim 'Abd al-'Aziz al-Sabah on the occasion of his appointment as Central Bank deputy governor and Salih Hamad Yahya on the occasion of his appointment as Credit and Savings Bank deputy director general. The finance minister also introduced Mustafa Jasim al-Shamali and Rashid Radhis 'Abdallah [name indistinct] al-Rumi on the occasion of their appointments as assistant undersecretaries at the Ministry of Finance and Economy. He also introduced Ibrahim 'Abdallah Shahin al-Ghanim on the occasion of his appointment as director general of customs. [Text] [Kuwait Domestic Service in Arabic 1000 GMT 24 Mar 86 LD] /7358

CSO: 4400/148

OMAN

## PRIVATE SECTOR GROWING

Oman 'UMAN in Arabic 24 Feb 86 pp 5, 17

[Article: "Rise in the Number of Native Cadres in the Private Sector, Continued Increase in Domestic Investment, Providing All Opportunities for the Success of Projects"]

[Text] Within a few years, the private sector has developed greatly in all areas of activity. Young Omani hands have come forward to participate extensively in the country's ambitious development plans.

The number of commercial firms in the country has increased greatly, reaching tens of thousands of companies active in all areas of development.

Accompanying this great development, there have been strong indications of a broadening of the labor market in the private sector and of the entry of individuals into many areas of activity, not to mention the capital invested in these areas. Effort and sweat have been the one foundation on which these individuals relied for their success.

This report is an attempt to focus light on the growing role of the private sector. To which areas do those individuals who are working in private employment for the first time turn? What does this mean for the ambitious development plans of the country?

With the beginning of the seventies, the private sector in the sultanate began to play its positive role as a vanguard stimulating the Omani economy, an economy which began to achieve many successes with the first years of the course of development undertaken with God's blessing under the leadership of His Highness Sultan Qabus ibn Sa'id, may God preserve him.

A large rise in total private-sector investments occurred: from 123.5 million Omani riyals, at a ratio of 22 percent of total investments in the period of 1971-75, to 466.6 million Omani riyals of total investments during the period of 1976-80. During 1971-75, [private-sector] investments in commodity-producing sectors such as petroleum and natural gas amounted to approximately 72.5 million Omani riyals, compared with about 280.6 million Omani riyals during 1976-80.

The share of industry alone in private-sector investments rose from virtually nothing during the first half of the seventies, to approximately 69 million Omani riyals during the years of the first 5-year plan.



## Small Projects

The contributions of the private sector have not been limited to large projects. They extend to include small projects such as: commerce in foodstuffs, [currency] exchange and remittances, tailoring and sale of sports clothing, engineering services, agencies for commercial representation, the book trade, garages and carwashes, transportation services, import and export, brick factories, automobile sales, offices for economic feasibility studies, building contractors, sales and service of machines and equipment, sales of petroleum products, travel agencies and hotels.

The capital of these small projects ranges between 2,000 Omani riyals and 1/2 million Omani riyals. These projects are not restricted to a particular location, but include all the provinces of the sultanate. The number of applications recorded to date in the commercial register has reached nearly 25,000. The continual growth of these projects is also manifested in the amendments and additions [to their registration] sought by some projects. A large development and growth in the number of authorized commercial agencies has also taken place, and these include numerous fields.

The development process in the sultanate of Oman depends on planning as a scientific and guaranteed method of reaching the desired goal of the process, namely the welfare of the Omani people. The development process in Oman began with the dawn of the modern revival led by His Majesty Sultan Qabus ibn Sa'id. Oman had previously suffered from isolation and backwardness in relation to the march of progress.

On 23 July 1970, his majesty the sultan gave the green light to the development process and to the advancement of the people of Oman. He did this through his self-imposed promise: first, to begin the formation of a modern government as quickly as possible, and to work for the happiness of the people and a better future.

The development process in Oman has passed through two stages. The first of these was characterized by it being a stage of laying firm foundations for development and providing the necessary services that the country had lacked. This stage did not depend on planning as a basis for the provision of these necessities, because sufficient time for the operation was lacking, and because a field of choice between options did not exist. This stage lasted from 1970 to the end of 1975.

Given Oman's lack of the basic elements of a modern state during that stage, there being neither a government in the modern sense able to carry out its various duties, nor needed social services such as schools and hospitals for the people of Oman, nor such prerequisites for development as power and transportation, attention at the beginning of the revival was concentrated on creating a government apparatus capable of carrying out its various service obligations toward the Omani people. Through this apparatus, work was done to provide the basic requirements of social services and utilities. The government devoted its resources to providing these things. Many public utilities were set up during this period, and the foundations for economic development were firmly established.



In order to form the Omani people and qualify them to lead the development process, schools and hospitals were built. The number of schools evolved from 3 schools in 1970, to 207 schools in 1975. The number of hospitals increased from 0, to 13 hospitals in 1975. During the same period, health centers and clinics increased to 55. As for other services necessary for economic development and considered indicators of growth: paved roads increased from 10 km to 708 km, and two large harbors were built, as well as an airport. All of this was done to open Oman's door to the world and facilitate the arrival in the country of the requisites for development. Total production of electricity evolved from 104.9 million kilowatt-hours in 1970, to 306.3 million kilowatt-hours in 1975. Other accomplishments included those in communications and in the fields of social and other services.

#### Implementation of Projects

The private sector played an important role in this state, for it was the active factor that stayed awake day and night behind the production machinery to accomplish these goals and served as the implementer of the state's projects in all sectors. It carried out its role thoroughly, responding continually to the needs of the country during this period, during which foundations were laid and formerly nonexistent services provided. It brought its resources to bear and invested its wealth in fields serving these goals and aiding their rapid achievement. During this stage, investments concentrated on the sectors of commerce and construction. Commerce contributed to providing for the country's needs, most of which are imported from abroad. Companies and firms active in this field developed from 1,928 companies in 1975 (i.e. 65 percent of total companies and firms registered in all sectors during that period), with total investments amounting to 33 million riyals (i.e. the equivalent of 32 percent of total investments in 1975), and took part in developing the foreign trade of the country. The country's imports developed from 7.6 million riyals in 1975 [as printed], to 231.4 million riyals in 1975. Non-petroleum exports developed from .4 million riyals in 1970, to 1.1 million riyals in 1975. The contribution of commerce to the total national product accordingly rose from 1.6 million riyals in 1970, to 38.5 million Omani riyals in 1975.

#### Tangible Realities

The construction sector took part in translating ideas into tangible realities, building schools and hospitals and paving roads, among other things. Companies and firms active in this sector evolved as follows: in 1975, the total number of companies in this sector was 372, representing 13 percent of registered companies in that year, and with total investments amounting to 34.3 million riyals, i.e. 33 percent of total investments in the same year. Following the directives of the sultan and using the resources of this goodly land, these companies took part in changing the face of the country within a brief period. However, the role the private sector played in this, as has been already indicated, was that of implementing state projects; the state outlined for itself this policy of encouraging the private sector and delegated to it the task of implementing projects. During this period, the private sector advanced actively, investing 65 percent of its total investments in these two sectors that served to translate goals into realities. Employment in this sector rose

from 35,000 workers in 1970, to 95,000 workers in 1975. The contribution of the two sectors to the national product developed from 12.2 million riyals in 1970, to 109.3 million riyals in 1975, and this is the best indication of the private sector's success in these two important activities during that period.

### Shortening the Time

Without a doubt, the notable success achieved by the private sector was itself a success on the part of the state in shortening the time, so that Oman accomplished within a brief period what [usually] requires long years. In consideration of the development role performed and being performed by the private sector, and to crown the royal patronage extended to this sector by the sultan of the country, a decree of the sultan was issued on 15 May 1973 establishing the Oman Chamber of Commerce and Industry to represent before the government and outside the country the interests of those active in the fields of commerce and industry, to defend and advance these interests, and to organize them. This concern for creating a corporate structure for businessmen is the best proof of the interest of the sultan of the country in this sector. It indicates the role he has played in past stages of the revival, as well as the role he is expected to play in coming stages, stages which will be very important, because they will be development stages based on scientific planning.

### Scientific Planning

The second stage of development depended on scientific planning as a basis for achieving the goal of development for the advancement and prosperity of the Omani people.

This stage commenced when the first 5-year plan began to be implemented in 1976. The most important strategic foundations guiding the economic and social development goals and policies of the plan were the following:

The petroleum wealth of the country is the right of all generations, not of the present generation alone. It is wealth that must be invested for the benefit of the present generation and for coming generations. The guarantee of the economic future of the country rests on multiplication and diversification of the sources of national income. The private sector is the buttress of a free national economy that avoids monopoly. The goal of social development is an Omani citizen qualified to engage in economic and production activity. Investments should be so distributed as to assure elimination of the difference in living standard between the various regions of the sultanate.

### Alternative Sources of Income

As is clear, these foundations depended on the utilization of depletable oil wealth to create alternative sources of national income and to diversify these sources. In implementing these goals, reliance was placed upon the private sector as the fundamental buttress of a free national economy, with the government undertaking the task of providing the basic means and services needed to encourage [the private sector]. Where the private sector alone is not able to marshal the capital needed to set up production projects deemed important to

the development of the national economy, the government acts as partner to the private sector in establishing such projects. The government has therefore authorized policies of direct and indirect support for the private sector to facilitate that sector's optimal performance of its role, since it is the fundamental buttress of economic development. Among the means of support and encouragement has been government establishment of a number of projects and implementation of numerous programs aimed at achieving this purpose.

Among the most important of these projects are specialized banks, the enactment of laws to regulate and encourage investment, the establishment of fundamental structures for the production sectors, and the provision of free or subsidized services for investors.

Three specialized banks have been established: the Housing Bank, the Oman Development Bank, and the Agriculture and Fisheries Bank. The first of these serves to finance housing projects for Omani citizens of limited income. The second and third serve to help the private sector finance its projects by offering medium- and long-term loans, holding shares in Omani joint-stock companies, and by providing technical assistance in studying investment projects and preparing them for implementation.

As for laws, in order to regulate commercial activity and guarantee the flexibility and encouragement that the commercial and industrial sectors need, and in order to enable them to participate actively in supporting the national economy and in developing its resources and wealth, the government has issued a number of regulations and laws and has prepared regulatory schedules and administrative decisions to facilitate their application.

The government has also established the administrative and technical agencies needed to supervise the implementation of the laws in such a way as to guarantee the regulated and coordinated operation of commercial and industrial activity. These laws include: the Commercial Register Act, the Commercial Companies Act, the Foreign Professionals and Foreign Capital Investment Act, The Commercial Agencies Act, the Insurance Companies Act, and the Industrial Organization and Encouragement Act.

As for economic structures, the project for a 172-hectare industrial zone at al-Rusayl has been implemented. Part of it is used to produce locally needed utilities; the remainder is divided into 109 plots offered to private-sector [firms] wishing to erect industrial installations on them. As for structures related to agriculture and fisheries, a number of centers for agricultural and fisheries' research and for agricultural guidance have been established. In fishing zones along the coasts of Oman, a number of centers have been built, each consisting of a cold-storage facility, an ice factory, refrigerated trucks, engine repair facilities, and fish-marketing centers.

In view of this encouragement received by the private sector, and in order to implement the government's current desire for a development strategy based on the diversification of sources of income, the private sector, as is its custom, has applied itself to translating this goal into reality by directing its interests and investments into the sectors of industry and agriculture, these

being the two productive sectors suitable for replacing petroleum in propelling the Omani economy. In fact, we see this tendency clearly in the development of the number of companies and firms operating in the industrial sector between 1976, the beginning of the implementation of the first 5-year plan, and 1983, which lies within the period of implementation of the second 5-year plan. We see that the number of registered companies operating in the industrial sector rose from 401 at the end of 1975, to 1,227 at the end of 1983. Capital invested in this sector rose from 6 million riyals at the end of 1975, to 82.5 million riyals at the end of 1983. The industrial sector's share in the GDP rose from 2.1 million riyals in 1975, to 63.2 million riyals in 1983.

As for the agricultural and fisheries sector, its share in the local product rose from 21.4 million riyals in 1976, to 80.5 million riyals in 1983.

There have been important projects to aid in supplying the needs of the country locally. Among these, for example, are flour mills and a cement factory. There is also a mining industry to exploit the country's riches in the best way, as well as the petroleum industry. In addition, there are dozens of small factories that provide for some of the needs of the country: chemical detergents, fertilizers, plastic products, etc. There is also the fisheries company, whose purpose is to exploit marine wealth in a sound manner, and there are poultry and egg farms and other industries that aim at import replacement. Steps are going forward to implement more of them.

#### A Social Role for the Private Sector

In addition to the important role of the private sector in economic development, it has an important social role through its participation in national functions and in the committees that aim at social development. Through the Oman Chamber of Commerce and Industry, the private sector participated in the sultanate's celebration of the Year of Youth, organizing a scientific research competition for Omani youth. As the representative of businessmen, the chamber honored the first graduates of the sultanate's commercial institute. There is no doubt that the exhibits and conferences that the chamber frequently organizes and which it plans to hold in the future have an important role in making the citizenry economically and culturally aware by acquainting them with products and with the countries that put on these exhibits.

12937/12790

CSO: 4404/243



OMAN

BRIEFS

LOAN AGREEMENT--The Bahrain-based Gulf International Bank has signed an agreement with the Arab and foreign offshore banks operating in Bahrain to administer a \$500-million loan to the Omani Government. AL-WATAN has learned from informed banking sources that the loan will be used to cover an expected deficit in Oman's budget resulting from the recent collapse of oil prices and in order to finance some development projects. [Summary] [Kuwait AL-WATAN in Arabic 20 Mar 86 p 18 GF] /7358

LOAN FOR DEVELOPMENT PROJECTS--Muscat, 29 Mar (WAKH)--Oman is seeking to obtain a U.S. dollars 500 million loan to finance a number of vital development projects including oil prospecting and drilling in addition to power generation and upgrading telecommunications. An official source said Oman has entrusted the Manama based Gulf International Bank (GIB) with obtaining the loan from the financial market. [Text] [Manama WAKH in English 1520 GMT 31 Mar 86 GF] /7358

CSO: 4400/148

PALESTINIAN AFFAIRS

GEORGE AL-'ABD DESCRIBES FUNCTIONS OF PHILANTHROPIC ORGANIZATION

London AL-TADAMUN in Arabic 1-7 Mar 86 pp 30, 31

[Interview with George al-'Abd, Director of the Cooperation Organization, by 'Adil Murad: "We Have Carried out 171 Projects in the Occupied Territories"]

[Text] The turning point we are waiting for, and the proper beginning in alleviating a little bit of the sufferings which have accumulated during the life of a whole generation or more, might be the Organization of Cooperation, through intrinsic efforts which have the goal of offering direct aid to the Palestinian people residing on the nation's occupied territory, helping them in their harsh life and warding off vindictive pressures on them whose aim it is to drive them off their territory.

The simplicity and obviousness of the idea must make us feel some embarrassment. Did 38 years have to go by since the beginning of the Israeli occupation of Palestine for us to raise this sort of idea and for it to come into the realm of actual practice? Could it have been absent from one's imagination all during such a period that an individual Arab effort exists to nurture the Palestinian roots which are still clinging to the land and sustaining racist pressures which keep these roots from realizing their national hopes and their most minor political and social rights?

Perhaps these sorts of questions lay behind the establishment of the Organization of Cooperation, which this month, February 1986, is celebrating the end of the third year since it was registered in Geneva as a philanthropic non-profit organization seeking to support the Palestinian people residing on the nation's territory (with a population of 2 million Palestinians distributed over Israel, the West Bank and the Gaza Strip). It is an organization which is aimed at strengthening capabilities for intrinsic development and progress and offering humanitarian aid and assistance to the Palestinian people in Palestine as well as those residing in Lebanon.

Behind the idea lay an elite of Palestinian businessmen and thinkers who among themselves bear all the burdens of organization and transference and venture to state, on every occasion, that it is an organization which is totally independent of any official body, has no political or party ties and relies only on the efforts of its backers.



While the idea in itself has been reassuring and offered good tidings, the personality of its director general, Dr George al-'Abd, who decided to resign from the International Monetary Fund and a number of distinguished advisory positions to a number of Arab countries and organizations to devote himself wholly to the burdens of administering the Cooperation Organization, has been greater than the reassurance and good tidings. Even though he lived many years in the United States, he retained Jordanian citizenship and visits the occupied territories at least once a year.

AL-TADAMUN met Dr George al-'Abd in London to seek information from him about developments in the Cooperation Organization and shed some light on its growth and the difficulties it has been and is being exposed to.

In a calm, measured voice, Dr al-'Abd said, "The idea emerged from the fact that while the Palestinian people are fighting to realize their national hopes and build a modern state by knocking on all the political and diplomatic doors available, the Palestinian presence itself, the society residing on the territory of the nation, has not received the attention it should. Because the 2 million Palestinians on Palestinian territory are an integral part of the Palestinian entity, the natural beginning was to support them, since they have needs like any other society in the third world. These are needs which have to be dealt with by modern means. In spite of Arab government efforts in this regard, private effort and intrinsic effort continue to have a part. We have concentrated in the contribution campaigns on Palestinians, but we intend to expand our efforts to include affluent Arabs as well."

AL-TADAMUN: Why was Geneva chosen as headquarters for the organization?

Dr al-'Abd: It is a neutral city which it is easy to work with and in. Geneva is close to European and Arab countries, specialized United Nations bodies and some other philanthropic bodies which we coordinate with in our efforts. It also makes direct contact easy with Palestinians in the occupied territories; these cannot be carried out from any Arab capital.

AL-TADAMUN: What were the circumstances that existed as the idea emerged?

Dr al-'Abd: It emerged during the siege of Beirut and the grim period which existed during this siege and after. The idea arose as a need to rely on intrinsic effort, in order that it would rally the greatest gathering of Palestinian businessmen and academicians among its supporters, penetrate all official barriers and get directly to the ordinary people who themselves define their priorities and needs. We give these concrete form for the people and help them carry them out. The experience of development in more than one developing country has proved that imported projects often fail, and projects, in order to succeed, must be connected to the people and benefit them in their everyday life. What I want to state is that we are not managing projects by "remote control," but it is the people who carry out the projects and protect them.

AL-TADAMUN: What are the criteria for choosing projects fit for financing?

Dr al-'Abd: There are a number of criteria; for instance, the projects must not be exorbitant in costs which we cannot defray or be unintegrated, marginal or individual. The projects must come to us through intrinsic initiative in the occupied territories and be projects on the part of an organization or group of people who have a collective connection with respect to a project of general benefit which has developmental characteristics. In this regard, we are not a financing bank and we are not aiming at alms and stipends. In spite of our profound appreciation of different aspects of almsgiving, that is an expensive activity whose benefit is not general. Our basic mission is to preserve the Palestinian people and their identity, and this is our basic cause.

AL-TADAMUN: The ratio of projects financed is small (30 percent) relative to the total projects which have asked for financing. Is that because of the criteria you stipulate for the projects?

Dr al-'Abd: In 1984-5 the organization carried out 113 projects in addition to 18 projects that are in the stage of being established, but it received 285 requests for aid. All the conditions applied to many of these, but our resources are limited and unfortunately do not cover all the applications. However, we give consideration to stretching our resources to their maximum limits and spreading about the benefit among the greatest possible number. Since the end of the period of the latest annual report, 50 additional projects have been financed. We always cooperate with international philanthropic organizations and always call on them to participate in the financing. We also benefit from the expertise of these organizations, which have worked at length in the area of aid to refugees.

AL-TADAMUN: Are you subjected to harassment or interference by the occupation authorities?

Dr al-'Abd: Yes, of course. Our situation is extremely sensitive. They collect information about us, interrogate us and cause some harassment for the people working with us. I personally was subjected to interrogation on coming into the occupied territories, but I do not want to inflate this harassment. We anticipate it and deal with it most patiently. The basic difficulty is our lack of an ongoing presence in the occupied territories and the absence of social leaders because of emigration on one hand and oppression on the other. It is these leaders who can carry out and follow up on projects. Therefore the presence of the occupation authorities is the basic problem, since they do not for instance give permits for the establishment of projects for advanced new factories. However, it is difficult for Israel to shut down our current projects. If we find ourselves in need of support, we seek recourse to the courts inside and outside Israel.

AL-TADAMUN: Have you received an Arab response or contributions of any kind?

[Answer] The official response of the people who have learned about us has been to bless our efforts. There are personal contributions, although most of the support continues to be Palestinian. We will inaugurate a campaign to collect support in the Arab context this spring, and we hope that it will meet the desired response.

Finally, we for our part can only record our amazement at this intrinsic Palestinian effort, especially since the projects that have been carried out so far have been in vital areas such as education, vocational training, health and preventive care, economic development in general, such as the provision of labor and the development of industrial skills, and social, cultural and technical development, in addition to the aid program, areas of research and documentation, organization and management.

The Cooperation Organization's annual report contains a record of successive achievements which any philanthropic organization in any country of the third world, not an organization supporting a people who have tasted fragmentation and dispersion which sometimes exceeds description, would be proud of.

[Question] Perhaps it might be an entree to similar intrinsic organizations in other Arab countries?

Dr al-'Abd smiled at what he considered lavish praise, but it was a serious question.

11887

CSO: 4404/258

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

CURRENT SITUATION IN ADEN DESCRIBED

Paris AL-MUSTAQBAL in Arabic 1 Mar 86 pp 28-30

[Article by Sulayman Nimr: "Yemen Looks to the Brothers for the Cost of the War of the Comrades"]

[Text] The question being raised in Aden now is: Will Moscow stand by the new collective leadership and, therefore, against 'Ali Nasir Muhammad and his group, or does it in fact stand behind Addis Ababa which still recognizes 'Ali Nasir as president of Democratic Yemen and contends that what happened was an assault on legitimacy?

Everyone is familiar with the events and battles that occurred in South Yemen, but few people are aware of the fact, which we learned from "neutral sources," that a leading Arab communist had a hand in the events, shortly before their outbreak, for the benefit of 'Ali Nasir Muhammad when he warned him of the existence of a plan by his opponents to force him to relinquish his powers. These neutral sources mentioned that this leading Arab communist left Aden for an Arab capital at an early hour on the day of the events, 3 hours before their outbreak. It was this leading communist who urged Moscow, on the second day of the events, to hurry and describe 'Ali Nasir's opponents as subversives (TASS).

Another factor is that the tribes played a significant role in the battles: the Yafi' and al-Dali' tribes, which came from Lahaj on the second day of the events in order to avenge "Uncle 'Ali" ('Ali 'Antar), and the Abyan Governorate tribes, which came to back the 'Ali Nasir groups which believed that within 5 hours the situation would be resolved in their favor, while 'Ali Nasir Muhammad had left for Abyan as a precaution shortly before the events broke out.

Has the situation settled down in South Yemen under the control of the new collective leadership? Or is the current stage a transitory period after which changes and shifts in the existing alliances will occur, especially in the presence of "personal contradictions" between several members of the ruling collective leadership?

In general, all over South Yemen and even in Abyan Governorate (the birth-place of 'Ali Nasir Muhammad), the situation appears to have been resolved

in favor of the new collective leaders. But visitors to Aden can sense that a kind of uneasiness persists. This uneasiness gives the feeling that the situation has not settled down quite yet. There are many rumors about shooting incidents at night. Neutral foreign forces in Aden told us about events that took place during the week that we spent there, as follows:

1. Last 8 February, clashes occurred inside the Interior Ministry when Salih Munsir al-Sayli went there to assume his position as interior minister.
2. An attempt was made on the life of Muhammad Sa'id 'Abdallah, a new Politburo member and secretary of the Central Committee for Foreign Relations. This incident claimed the life of one of 'Abdallah's bodyguards when his car came under fire from a white Toyota Corolla, which escaped. During the afternoon of that day, we saw more roadblocks and beefed-up security and patrols were detaining all Corolla cars.
3. An eyewitness from the Khur Mukassar area told us that Tuesday night, 11 February, between 11 and 12 pm, there was an exchange of fire in the area behind the Soviet Embassy itself.

Responsible sources admit that these were cleanup operations against what was left of the 'Ali Nasir elements, coupled with search operations for arms. However, all this is neither important nor a cause for alarm.

What is indeed cause for alarm, according to political observers, is the possibility of power struggles and differences breaking out among the new collective leadership. The present period is a transitory one during which the new leadership is seeking to strengthen its political control over the situation now that it has settled it militarily. For this reason, the current leadership seemed in a rush to consolidate its partisan and constitutional legitimacy, putting aside personal differences among some of its members. For example, no one expected Salim Salih Muhammad, assistant secretary general of the party and strongman, to ally himself with his rival Muhammad Sa'id 'Abdallah, Politburo member and the man known as Aden's "pariah" because of his bloody violence during the 'Abd-al-Fattah Isma'il regime. So how can Muhammad Sa'id 'Abdallah become one of 'Ali 'Antar's heirs when 'Ali 'Antar, at one time, asked for his execution? And how can he share the rule with Salim Salih Muhammad when he was the cause of the execution of Muhammad Salih Muti', former foreign minister and Salih Muhammad's maternal uncle and tutor, who was accused of cooperating with Saudi Arabia in 1982, over the objections of 'Ali 'Antar, Salim Salih Muhammad, and other Politburo and Central Committee members? And how can Politburo member Salih Munsir al-Sayli, appointed as interior minister in order to remove him from the Ministry of State Security, become a partner in the rule when he was considered to be the "cruel" hand of all eras?

A look at the composition of the ruling collective leadership reveals specific combinations that carry within their folds many explanations. For example, Lahij inhabitants have complete control over the centers of power in South Yemen, from Salim Salih Muhammad to Defense Minister Salih 'Ubayd



and State Security Minister Sa'id Salih Salim, save for the prime minister, Dr Yasin Na'man, in addition to the armed forces commander, Muhammad Haytham. Meanwhile, it is noted that the Hadramawt group includes the party's secretary general, 'Ali Salim al-Bid, whose illness, which was caused by the injuries he suffered, prevents him from becoming the regime's strongman although he is the only one left from the party's traditional leaders, and also President Haydar Abu Bakr al-'Attas. Hence, political observers in Aden expect changes and shifts in the composition of the party's leadership and government, especially if the problems, which the country will have to face during the coming period, come to a head. These problems are primarily economic rather than organizational ones caused by the death of one-third of the party's leadership cadres and the desertion of one-fourth of the remaining leaders. For that reason, certain sides "friendly" to the rulers in Aden are intervening to bring about a kind of national conciliation with the 'Ali Nasir Muhammad opposition group, or at least with those who did not have a hand in the events. The collective leadership says that it is "ready to consider the status" of those who agree with 'Ali Nasir Muhammad in opinion only, but that those who helped him engineer and carry out the events "will have the chance to return, but will have to be brought before constitutional and legal justice to receive their punishment."

We asked the party's secretary general, 'Ali Salim al-Bid, about the possibilities of a conciliation with the other side. He said: "There is no such thing as a conciliation. Those who contributed to and took part in the conspiracy will be held accountable, but those who did not participate in it will get due consideration by the party leadership."

As for Salim Salih Muhammad, he said: "We have released 1,000 falsely arrested detainees and another 500 are under interrogation."

But observers wonder if conciliation is possible in light of reprisals undertaken by the tribes and some members of the current leaders following the events.

Nayif Hawatmah, secretary general of the PDFLP, tried to mediate a comprehensive conciliation during his visit to Aden while we were there. He told us as much. However, it appears that he failed in these endeavors because the collective leadership rejects any kind of dialogue or mediation with "conspirator" 'Ali Nasir Muhammad, as it calls him. This leadership believes now that it gained its constitutional legitimacy when the Supreme People's Council elected Haydar Abu Bakr al-'Attas as its president and Dr Yasin Na'man as prime minister, and the Central Committee elected a new Politburo. Therefore, "comrades in Aden asked Comrade Hawatmah to intervene with Addis Ababa and Sanaa to urge them to stop their support of 'Ali Nasir Muhammad," notwithstanding the fact that Aden praised President 'Ali 'Abdallah's stands and the Sanaa government.

Although most of the new leadership's members are political moderates, external circumstances surrounding them regionally and internationally, in addition to their difficult internal circumstances, the economic ones particularly, make it incumbent upon them to be more moderate and to adhere to

the policy of "opening up" to neighboring countries. This is manifested in their statements in which they agreed to maintain their current foreign policy, which is based on the principle of coexistence and good relations with neighboring countries. However, this policy, according to what Dr Yasin Na'man said during our short interview with him right after his election as prime minister, "has been approved and confirmed by the party and not by 'Ali Nasir Muhammad."

Rulers in Aden are looking to the neighboring countries for political and material assistance in dealing with economic problems generated by the events. (Initial estimates of economic losses incurred as a result of these events are between \$2 and \$3 billion.) 'Ali Salim al-Bid said frankly: "We believe that our Arab brothers will not hesitate in general to offer us aid to repair the damage done by the 'Ali Nasir clique and to pursue the development of our country. We want to live in peace, security, and stability and are ready to work with everyone for the sake of neutralization and stability in this area. We maintain good relations with GCC countries in all fields and hope that the coming days will witness further development of these relations."

To underscore the above, the collective command was keen on sending envoys to the Gulf countries which prepared to receive these envoys. Dr Yasin Na'man, then deputy prime minister, went to Kuwait. Also, Communications Minister Salih Abu Bakr Husaynun went to Muscat to reassure the Omanis of Democratic Yemen's eagerness to uphold the Yemeni-Omani conciliation treaty signed last year and to pursue rapprochement between the two countries.

AL-MUSTAQBAL learned that the new collective leadership asked that an envoy, Foreign Minister Dr 'Abd-al-'Aziz al-Dali, be dispatched to Riyadh and asked him to make a similar visit to a number of Arab capitals.

In Aden, it appears that they are not as concerned about the positions of Damascus, Tripoli, Morocco, and Algeria as they are about those of Ethiopia and North Yemen. Their concern about Ethiopia stems from President Mengistu Miriam's continued adoption of 'Ali Nasir Muhammad and recognition of him as the legitimate leader. A socialist diplomatic source in Aden told us that during the second week of last February, President Mengistu met with communist ambassadors to inform them of his decision to maintain his position of backing and supporting the legitimate president, 'Ali Nasir Muhammad, regardless of their countries' positions. Addis Ababa is indeed in a position to offer military and material assistance to 'Ali Nasir Muhammad, something which is bound to arouse the new leadership's concern, as does Sanaa's position. They are aware that Sanaa, through its support of 'Ali Nasir Muhammad, is capable of causing internal unrest, and they admit to the presence of a cloud over relations with Sanaa at present. However, they express a definite wish to continue contacts with North Yemen, emphasizing that the unity between the two parts of the country can be achieved through dialogue and debate. But, at the same time, they are not worried about direct foreign intervention, whether from Sanaa or any other side, due to Soviet assurances that Moscow will stand by their side against any foreign intervention.

But is Moscow lending them full support now?

To answer this question, we must deal with the Soviet position on the events.

The Soviet Embassy suffered the worst shelling and the most losses during the raging battles. Both warring parties shelled embassy buildings during the first days of the battles despite the presence inside the embassy of a cease-fire committee comprised of representatives of both sides. The purpose of the shelling was to provoke direct Soviet intervention to end the battle, with each side believing that it enjoyed Soviet backing.

'Ali Nasir Muhammad believed that the Soviets backed him because of his good relations with them and because of the support for him by the communists (Abu Bakr Ba Dib) and the Syrian Ba'thists (Amin Qasim Yahya and 'Abd-al-Qadir 'Abd-al-Ghani).

The heirs of the 'Abd-al-Fattah Isma'il group and 'Ali 'Antar believed that Moscow was on their side because of the historic relationship between 'Abd-al-Fattah Isma'il and the Soviets. That is why the heirs were intent on concealing Isma'il's death. When the Soviet ambassador asked about the fate of 'Abd-al-Fattah Isma'il, he was told that his tank was hit but he was able to get away. In their official account subsequently, they mentioned that the tank commander, who said that 'Abd-al-Fattah Isma'il got away, was delirious because of a severe wound. However, the investigation committee confirmed that bones found inside the tank were those of Isma'il.

Neutral sources confirmed that the Soviets did not actually take part in the battles, but the confusion in the first 2 days over the Soviet position was caused, according to Adeni sources, by the leading Arab communist, mentioned at the beginning of this report, who told them that the situation would be resolved in 'Ali Nasir Muhammad's favor. Five days after the outbreak of the events, however, the Soviets felt that things were turning in favor of the collective leadership. So they began shifting toward the collective leadership, albeit reluctantly and without direct intervention, viewing the events as an internal affair.

Soviet reluctance to support the new leadership still stands, as evidenced by the fact that they have not sent back any of the Soviet advisers who left the country because of the deteriorating situation. But the Soviet Union, as we found out, supplied Aden with 40,000 tons of oil and dozens of tons of medical aid. Soviet support of the new regime has been limited to a warning not to interfere in South Yemen issued to North Yemen during the visit of the Soviet first deputy foreign minister to Sanaa at the end of last January. The new ruling leadership in Aden is urging the Soviets now to express some political support for the new regime. It is perceived that the Soviets are waiting for matters to crystallize and that their vague position suggests that two 'Ali Nasir supporters, former Interior Minister Muhammad al-Mudani and popular militia leader Sulayman Nasir Mas'ud, who were members of the cease-fire committee that met at the Soviet Embassy, are still inside the embassy. This has been confirmed to us by more than one official source in Aden and the Soviets are still looking for a way out

of this problem. We have learned that, during his meeting with the Soviet ambassador in Aden last 7 February, 'Ali Salim al-Bid asked Moscow to arrange for political asylum for 'Ali Nasir Muhammad in the Soviet capital or another communist one.

What is the future of the Aden situation?

Fears in Aden do not stem from the possibility of 'Ali Nasir returning to the country by force because the one who leaves power and the country cannot return to them easily, as evidenced by the experience of Muhammad 'Ali Haytham and the 'Abd-al-Qawi Makkawi group.

The situation is begging to return to normal and people have started to return to work. But fear stems from internal differences: Will they erupt once again or will the 13 January events be a harsh lesson which will not be repeated?

12502/6091

CSO: 4404/237

AFGHANISTAN

DRA STATE BUDGET FOR 1986-1987 APPROVED

LD221518 Kabul Domestic Service in Dari 1530 GMT 21 Mar 86

[Text] A meeting of the PDPA Central Committee Politburo, chaired by Babrak Karmal, general secretary of the PDPA Central Committee and president of the DRA Revolutionary Council, was held 20 March 1986. The Politburo comprehensively assessed the implementation of the socioeconomic growth plan and the DRA state budget for 1985-6. The DRA Council of Ministers draft socioeconomic growth plan and state budget for 1986-7 was approved after deep analysis.

In connection with the implementation of the plan and state budget of the current year, the Politburo recalled that despite the undeclared war by reaction and imperialism, and the antirevolution economic sabotage, the country's economy enjoyed relative stability last year and most sections of the national economy had constant growth compared with the year before. Development expenditures based on domestic and foreign sources fully used last year.

The friendly USSR's aid for projects totaled \$110 million, that is, 5 percent more than planned, and constitutes 73.03 percent of the total foreign aid for the year's projects.

As a result of this investment, 30 important economy projects were partially or fully completed.

In connection with the draft socioeconomic plan and state budget for 1986-7, the Politburo recalled that the draft was prepared on the bases of the 16th PDPA Central Committee plenum; the 10 theses of Babrak Karmal, general secretary of the PDPA Central Committee and president of the Revolutionary Council; and the statement by the Revolutionary Council on the national and democratic nature of the April Revolution and its urgent duties. It was prepared with consideration of the basic guidelines for socioeconomic growth for the 5-year period and is in the interest of the life of the people of Afghanistan.

The socioeconomic plan and state budget for the new year has the following important objectives:

Taking steps to consolidate the results of the April Revolution, expand and maintain its positive results in developing the country's social and economic



growth, and speed up the growth of the mixed state sector and cooperative of the national economy together with the expansion and strength of the private sectors;

Concentrating efforts on rebuilding and (?technically equipping) the important production and service enterprises and projects of the national economy;

Using existing reserves, enhancing the quality of work, and reducing the recommended price of production output;

Continuating the democratic land and water reform with the active participation of the peasants, strengthening the cooperative movement by providing financial, material, and technical aid;

Increasing agricultural and livestock output, particularly raw cotton and sugarbeet, to meet the demands for raw material and textile industry and foodstuff, and the possibility of expanding the country's exports;

Promoting growth of the retail trade and foreign trade, and consolidation of country's defense might [as heard];

Intensifying and speeding up the literacy program, consolidation of the financial basis of the development training and education, increasing cultural and health services, and expanding the network of professional training, enhancing the skill of the workers, providing for a 5.4 percent increase in gross output production, and 5.9 percent in the national income production;

Increasing the gross output of agriculture, livestock, and forests by 4 percent compared with last year's assessment.

In order to realize the aims of the agricultural plan, next year a total 145,000 tons of chemical fertilizer, 16,000 tons of wheat seed, 5.9 thousand tons of cotton seed, 60 tons of sugarbeet seed, at a value of 100 million afghanis, and pesticides will be made available for the peasants, state farms, and agricultural cooperatives.

A growth of 4.9 percent has been anticipated in the value of gross output of industry, mines, and energy next year compared with last year.

In the transportation sector, it has been planned that the state and private sectors will carry 6.5 million tons of goods over a total of 1060.02 million km. Retail and private commerce, mixed or cooperative, will reach 23 billion afghanis next year.

The network of state-owned shops and retail trade cooperatives will expand further all over the country, especially in the provinces.

There will be an increase of 61.05 percent in the number of children attending schools next year.

In the country's literacy program, it is planned to set up 3,865 new literacy courses and to accept more than 128,000 students.

The capacity of the country's universities will expand next year. The number of graduates will increase by 5.6 percent and the number of the enrolments will increase by 6.0 percent.

The number of main health centers will increase to 121 and the number of secondary health centers to 19 centers.

There will be an increase of 8.7 percent in the total number of beds in hospitals and 25 percent in the number of doctors.

The friendly Soviet Union will provide 80 percent of the anticipated foreign aid for next year.

Special attention will be paid to the border provinces to improve the living condition of the people of those provinces.

It has been anticipated that 50 projects will be built or commissioned next year.

The PDPA Central Committee Politburo calls on all party, state, and economic bodies and social organizations to carry out allround and broad work in the production collectives among the people to implement the plans and commitments of 1365, this first year of the first 5-year plan after the revolution.

In order to raise living standards and to provide facilities for the peasants, the PDPA Central Committee Politburo has considered a proposal to cancel the back taxes for the period March 1981 to March 1986 owed by the peasants and landowners, and decided that the back taxes--totalling more than 2.5 million afghanis--should be reduced in proportion to the payment by instalments of the principle arrears over the next 2 years; and in this respect a specific proposal should be presented to the DRA Revolutionary Council.

The activities of the Central Bank of Afghanistan were assessed for enhancing the effectiveness of the national economy in light of the resolutions of 16th PDPA Central Committee plenum.

Regarding the improvement in the country's banking system and in order to increase its role in the national economy, Babrak Karmal said:

Completion of the banking system, as well as the completion of the tax and prices system, together with laws and work regulations, are extraordinarily important for the execution of duties embodied in the fundamental phases of the DRA socioeconomic development plan for the 5-year period, for even further rapid development of the national economy and a solution to social problems in the coming years.

The Politburo issued instructions to the relevant officials about providing short and long term loans for the expansion and completion of the fundamental (?phases) of utilizing modern techniques and to mechanize production, extending the authorities and raising the level of responsibility in the banking system, [word indistinct] and self-sufficiency of all enterprises and

government institutions, expanding non-cash transactions through the Afghan banking system for all government, mixed, and private enterprise in the course of reciprocal payments as well as in import and export transactions, the creation and generalization of the government system [as heard], stability of prices in domestic trade--especially foodstuffs and basic commodities--and other important cases.

The Politburo also took the necessary decisions on a number of other issues about domestic and foreign policy.

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CSO: 4665/32

AFGHANISTAN

'CONSIDERABLE' GAINS OF MASS MEDIA DETAILED

LD020726 Kabul BAKHTAR in English 0452 GMT 2 Apr 86

/Text/ Kabul, 1 Apr, BAKHTAR--In the light of the lofty objectives of the April Revolution of 1978 and the progressive policy of the party and state of the Democratic Republic of Afghanistan considerable gains have been scored in the sphere of mass media in the country.

In the postrevolutionary years, radio transmission stations were set up in the provinces of Herat, Qandahar, Nangarhar, Ghazni, Farah and the Khowst Division aimed at upholding and blossoming the rich culture of the brother nationalities inhabiting in the country.

With the broadcasting of first radio program of the "Afghan Ghazh" (Afghan Voice) on 21 March 1986 in Pashto and Dari languages, the broadcasts of Radio Afghanistan reached 80 hours a day. It is envisaged that with the completion of the new radio transmission project, the possibilities of broadcasting of 150 hours radio programs in 24 hours will become feasible.

The agreement on the project for construction of television studios in Kabul has been signed with the USSR, and the construction work will be started during the current Afghan year, begun 21 March. With the completion of the project, during the /word indistinct/ years, the possibilities of recording and broadcasting of 15-20 hours color TV programs and the parallel broadcasting of programs in two channels will become feasible throughout the country.

With the acquisition of membership of the international organization of OIRT /International Radio and Television Organization/ it has become possible for the DRA to exchange TV programs with the neighboring countries.

At present, making use of the Shamshad installation, the important events of the country are broadcast one a week to the members of the OIRT. With the assistance of the USSR, it has become possible to transmit the TV programs of the capital to a number of provinces through satellite.

The provinces of Herat, Qandahar, Nangarhar, Ghazni, Farah, Badakhshan and Khowst Division have TV stations and they have 3 hours broadcasting daily. The Kabul TV broadcasts are utilized for elimination of illiteracy as well.

Daily HAQIQAT-E ENGELAB-E SAWR, which is the most circulated daily in the country, has a circulation of 80,000 copies daily, which exceeds the total circulation of all dailies, periodicals and magazines published in the prerevolutionary years.

The present circulation of all dailies of the country exceeds 500,000 copies while the circulation of the dailies in the prerevolutionary years hardly reached 40,000 copies.

The circulation of the dailies of the provinces, published in the languages of the brother nationalities has doubled.

Besides the dailies and periodical, the State Committee of Publication of the DRA publishes a large number of books. The total number of books published during the last 5 years by the committee has exceeded 800 titles and a total circulation of 33 million copies.

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CSO: 4600/256



AFGHANISTAN

BRIEFS

DRA-USSR SCHOOLS AGREEMENT--Kabul, 9 Mar, BAKHTAR--An agreement for the construction of 10 professional technical schools and /words indistinct/ industrial technical was concluded between the Ministry of Vocational and Higher Studies of the DRA and the economic consulate of the Embassy of the Soviet Union in Kabul. Under this agreement, the professional technical schools will be set up in six provinces of the country during the year 1985-1991. The new professional schools would cover different disciplines, such as agriculture, irrigation, mines, communications, construction and foodstuffs. The Soviet Union will provide the necessary laboratory materials, tools and equipment and experts for the new schools and technicum. /Text/ /Kabul BAKHTAR in English 0421 GMT 10 Mar 86 LD/ 12228

LAND REFORM FIGURES CITED--Kabul, 20 Mar BAKHTAR--The implementation of water and land democratic reforms is proceeding ahead briskly all over the Democratic Republic of Afghanistan. Five hundred seventy-five landless peasants received the title deeds of their land in the provinces of Balkh, Herat, Paktia and Bamian Provinces. Over 770 landless peasants have received the title deeds of their land in Paktia Province, east of the country, during the current Afghan year ending 21 March 1985. Fifteen new peasant councils were also established during the same period in that province. Over 450 peasants are members of the councils engaged in accelerating the process of land democratic reforms. The results of the work of the last 6 months all over the country are the manifestation of the considerable activities in the field of the land reforms. During the period, the number of landowners whose lands have been documented throughout the country has increased by over 180 percent, the number of peasantry families who received the land free of charge has grown by over 1.7 times. So far, about 800 peasantry councils playing an important role in implementing the land and water reforms have been set up. Their authority is enhancing among the peasants with every passing day. /Text/ /Kabul BAKHTAR in English 0421 GMT 21 Mar 86 LD/ 12228

CSO: 4600/256

21 April 1986

UNCLASSIFIED

## MOSCOW UNHAPPY WITH NATIONAL AWAMI PARTY LEADERS

Dhaka HOLIDAY in English 7 Mar 86 pp 1, 8

[Text]

The Soviet Communist Party did not invite either of the factions of the National Awami Party leaning towards Moscow to its on-going 27th party congress which began in the Soviet capital from February 25.

The two pro-Moscow NAP factions are now being led by Muzaffar Ahmed two of his erstwhile secretaries, Syed Altaf Hossain and Pir Habibur Rahman. Observers here believe that the Soviet motive behind the scheme is to give indications to Professor Muzaffar Ahmed about its dissatisfaction with his style of politics.

The USSR earlier initiated a move to unite all the pro-Moscow factions of NAP to stage a significant comeback under the leadership of the Bangladesh Communist Party (CPB). Muzaffar Ahmed, who is leading the pro-Moscow faction of NAP since the Sino-Soviet rift in the sixties, is receiving the cold shoulder from his Soviet friend for the first time.

Recently he refused to comply with a request to normalise relations with the CPB. He also earlier complained to some of his friends in the 15-party alliance about the CPB's attempt to break up the NAP. This was once an

unofficial agenda for discussion in a 15-party meeting.

Professor Ahmed was very much willing to attend the CPSU congress which was also reflected in his press statement. He had attended 26th party congress in 1981.

Political circles believe that the Soviet Union is unhappy with the because of his self-styled "independent" stand despite his unalloyed support to the Soviet policy.

The on going 27th party congress is now being attended by 152 delegations from 113 countries of the world comprising the communists, social democrats, socialists and labor parties. The Indian National congress is at the congress for the first time.

Only the CPB was invited from Bangladesh. The vernacular daily Sangbad also received an invitation and has sent a representative to the congress.

A Soviet Embassy spokesman here expressed his ignorance about the reason behind the attitude toward Muzaffar Ahmed. He said that the CPB as a fraternal party receives invitation and the CPSU recognizes only one communist party in the country.

Professor Muzaffar Ahmed said nobody tolerates an independent attitude. "That is why this has happened to me," he said.

BANGLADESH

PAPERS REPORT VISIT OF PRC PRESIDENT LI XIANNIAN

Chowdhury Briefs Press

Dhaka THE BANGLADESH OBSERVER in English 7 Mar 86 pp 1, 10

[Text]

Foreign Minister Humayun Rasheed Chowdhury on Thursday said that Bangladesh attached great importance to the widening relations with China. He hoped that the coming visit of Chinese President Mr. Li Xiannian the first by a head of the state of China to Bangladesh will further expand the horizon of the existing Dhaka-Beijing relations.

Briefing newsmen on the four day state visit of Chinese President beginning on Saturday the Foreign Minister said that Bangladesh was giving great importance to this visit and it would be a historic occasion. Commerce Minister Kazi Zafar Ahmed and Adviser for Finance Mr. Syeduzzaman both of whom were present at the Press briefing informed newsmen about the economic and trade relations between China and Bangladesh.

Terming the existing State of China-Bangladesh relations as very excellent the Foreign Minister said that the two friendly countries had identical views on almost all the international issues. Asked whether there was any issue on which the two countries differed he replied 'in my meeting with the Chinese Foreign Minister in Dhaka last December we could not differ on any point'.

The Foreign Minister said that China expressed its understanding of the situation under which the change of government took place in Bangladesh in March 1983. He added that China was appreciative of the present government's efforts at restoring democracy and improving the social and economic condition of

the country.

The Foreign Minister informed that bilateral economic issues and major global questions would figure prominently in the formal talks between the Chinese President Mr. Li Xiannian and President Ershad. He said that the two leaders would discuss the entire spectrum of bilateral relations and exchange views on global and regional issues.

In reply to a question the Foreign Minister said that the two presidents would also discuss international political situation including the present Sino-Soviet and Sino-US relations.

Mr. Humayun Rasheed Chowdhury said that Bangladesh's independent and non-aligned foreign policy as well as her stands on major global problems and issues had been viewed with appreciation by China. He informed that China praised Bangladesh's principle stand on Kampuchea and Afghanistan and her pioneering role to promote regional cooperation in South Asia through SAARC. He said that China regarded Bangladesh as one of the friendliest countries and China would continue to remain a very important country for Bangladesh not only because of her moral and political support and economic assistance but also because of her importance in the international arena and her potentials for emerging as a strong global economic and military power in the foreseeable future.

President Li Xiannian made a trip to Bangladesh in 1978 as

the Vice-Premier of his country. During his four-day state visit he will be accompanied by his wife Madam Lin Jiamel. He will visit Jatiya Shaheed Smriti Saudha at Savar attend a civic reception and go on a river cruise during his stay in Dhaka.

**Hartal won't be problem**

When his attention was drawn to the six-hour hartal call given by the Opposition against the Government upto 12 noon on Saturday, the day the Chinese President is arriving the Foreign Minister said that the hartal would not be a problem with the visit. He observed that the hartal would end by 12 noon and the special plane of President Li Xiannian would land at Zia International Airport at 12.40 p.m. He hoped that the Government would get cooperation from each quarter and every citizen in giving a rousing reception to the Chinese President. Asked whether Government would request the Opposition to defer the hartal in view of the visit the Foreign Minister leaned towards Commerce Minister Kazi Zafar Ahmed to discuss with him and replied that the Government did not consider the hartal as a problem and it had no linkage with the visit.

**Bilateral trade**

Referring to bilateral economic cooperation between the two countries, the Foreign Minister observed that there had

been a steady and satisfactory development of economic cooperation and trade relations between the two countries. Three loan agreements amounting to 175 million Yuan, have been concluded between China and Bangladesh since the signing of the agreement on economic cooperation since January 1977, he pointed out. Besides the fourth loan stipulating RMB yuan 100 million was concluded on July 6, 1985 in Beijing for the construction of the friendship bridge over the river Buriganga, he added.

Mr. Humayun Rashid Chowdhury said that China till the end of last year offered suppliers credit to the tune of 70 million US dollar for industrialisation and building up economic infrastructure in Bangladesh.

He stated that bilateral trade between the two countries under barter Protocol Number 9 signed in December, '85 was expected to reach the level of each way trade volume of 43.50 million US dollar. The new barter protocol will be effective from April 1, '86 he added.

The Foreign Minister said that total imports from China amounted to Taka 13, 404.9 million and exports Taka, 3,304.2 million till 1984-85. The cumulative trade imbalance against Bangladesh thus stood at Taka 10, 100.7 million he added.

### Jt. venture proposals

Finance Adviser Mr M Syeduzzaman stated that a number of concrete proposals would be taken up for joint venture and collaboration for discussions between the two sides.

Asked to elaborate on the areas, he said that joint venture proposal in various forms would relate to fertiliser factories chemical industries like soda ash and chlorine plant etc.

The Adviser noted that there was vast scope for technical cooperation between China and Bangladesh in the context of the growing emphasis on South-South collaboration. The development projects like polash Urea Fertiliser Factory, Ruggan north water conservancy project, Buringanga Friendship Bridge etc which were taken up for implementation under Chinese assistance would involve technical cooperation between the two countries he added.

He also felt that technical cooperation and collaboration between China and Bangladesh could take place effectively in areas of small irrigation projects.

Replying to a question about the operation of direct air services between Dhaka and Beijing as stipulated in the bilateral air accord, Mr Syeduzzaman said that the commercial viability of such direct service was being examined on a continuous basis and the experts of the two countries would take up matter soon again.

About the suppliers credit from China, he said that this was a new concept in the bilateral economic relations between the two countries following the new economic reforms in China under which greater operational freedom was given to the sector corporations. The modalities of such credit are decided on the

basis of direct negotiations between the concerned parties of the two countries, he added. He was of the view that the suppliers credit could prove to be of greater benefits to the prospective investors in Bangladesh since the capital machinery from China was cheap and technically more suited to the country.

When asked about the imbalances against Bangladesh in its bilateral trade with China, the Finance Adviser said that the issue should be looked at from the overall point of view of Bangladesh's trade patterns with the country's total exports being as of now around 940 million US dollar and imports about 2500 million US dollar the only way to reduce the import-export gap was to expand the supply line and thus to boost the export earnings, he added.

Commerce Minister Kazi Zafar Ahmed said that China proposed for compensation trade to remove the trade imbalances against Bangladesh. The compensation trade will prove to be much effective in the context of South South cooperation, he observed.

Explaining the terms of compensation trade, Mr Enaytullah Khan, Bangladesh Ambassador to China, said that Beijing proposed to set up joint venture projects in the context of the development priorities in Bangladesh under the Third Five Year Plan with Chinese assistance and to take up the entire quantum of finished products thereof as exports from Bangladesh.

### Greeting at Airport

Dhaka THE BANGLADESH OBSERVER in English 9 Mar 86 pp 1, 10

[Text]

Chinese President Li Xiannian and Madame Lin Hamei were given a hearty welcome on Saturday when they arrived in Dhaka on a four-day state visit to Bangladesh. They were received at Zia International Airport by their host President H.M. Ershad and Begum Roushan Ershad.

Mr. Li Xiannian who is the first Chinese President to come to Bangladesh wished that through

his visit the friendly relations and cooperation between China and Bangladesh would grow stronger and develop further. In his brief arrival statement he said that he was carrying with him the "cordial greetings and high respects" of the people of his country for the fraternal Bangladesh people. He considered Bangladesh as a friendly neighbour of China and he ad-

ded "there exists a profound traditional friendship between the Chinese and Bangladesh peoples."

The Chinese President observed that due to joint efforts of the governments and peoples of the two countries Sino-Bangladesh friendly relations and cooperation had made "satisfactory progress" since the establishment of diplomatic relations



between the two countries over a decade ago.

President Li Xiannian and President Ershad will have formal talks this (Sunday) morning at Bangabhaban. In his statement the Chinese President said that he was looking forward to exchange of views with President Ershad on international issues of common concern and bilateral relations. He added that he was also looking forward to have "amicable meetings with personages of various circles in Bangladesh".

The special flight carrying the 81-year Chinese President and his entourage landed at Zia International Airport eight minutes later than the scheduled. Three jets of Bangladesh Air Force escorted his plane from Bangladesh border. He was given a

21-gun salute and a guard of honour was accorded to him.

Deputy Chief Martial Law Administrators Rear Admiral Sultan Ahmed and Air Vice-Marshal Sultan Mahmood, members of the Cabinet, heads of diplomatic missions and high ranking civil and military officials were present at the airport to greet the Chinese President and his entourage. A large number of Chinese technicians working in different development projects in Bangladesh were also present at the airport to receive their President.

The airport ceremony over the Chinese President accompanied by his host drove in a ceremonial motorcade to Bangabhaban where he will be staying during his four-day state visit. School children lined up along the

route to greet the Chinese President and his entourage waving national flags of the two friendly countries. The route was also tastefully decorated with national flags, bunting and portraits of the Chinese President and Madame Li Xiannian.

Chinese President Li Xiannian and Madame Lin Jiamel will be accorded a civic reception this (Sunday) afternoon at the north plaza of Jatiya Sangshad Bhavan. They will enjoy a cultural show at Osmany Memorial Hall on Saturday night. They will be taken to a river cruise on board 'Ostrich' on Monday morning.

The Chinese President and his entourage will leave Dhaka on Tuesday for Colombo to begin his state visit to Sri Lanka.

### Report on Ershad Banquet Speech

Dhaka THE BANGLADESH OBSERVER in English 9 Mar 86 pp 1, 10

[Text]

President Hussain Muhammad Ershad said in Dhaka that the relations between Bangladesh and China are rooted in the innumerable ties of geography, history and tradition reinforced by shared outlook, common aspirations and commitments reported BSS.

Speaking at the banquet hosted by him and Begum Raushan Ershad in honour of the Chinese President Li Xiannian and Madame Lin Jiamel at Bangabhaban, the President said the two countries have close similarity of approach towards major global issues.

He said the high level contacts and exchanges as well as the conclusion and implementation of a number of agreements on cooperation in various fields have made significant contributions towards deepening and widening of our bilateral relations as well as our cooperation in the international fields.

President Ershad referred to the assistance extended by China which has enabled Bangladesh to accelerate its development efforts in a number of vital sectors of the economy and said his country is happy to have China not only as a time-tested friend but also as a major partner in progress. The President said as friend

and neighbours, we have been watching with keen interest and great admiration the tremendous strides made and significant progress achieved by industrious, dedicated and innovative people of China in recent years.

He said against the backdrop of China's commendable successes achieved through adoption of enlightened and pragmatic policies, there can be no doubt that a new and glorious era of peace, progress and prosperity will usher in China in the foreseeable future.

Referring to the relentless efforts being made by the present Government during the last four years to reach the fruits of political freedom to the teeming millions through economic emancipation, President Ershad said with the holding of upazila polls in June last the grass-root-level administrations is functioning through people's representatives while the national elections are scheduled to be held shortly.

He said 'To attain a viable self-sustaining economy we have assigned priority to the development of agriculture, increase of food production and control of population. Side by side steps are also being taken to boost industrial production

and develop and explore energy resources.

The President mentioned the conduct of external relations of Bangladesh and said 'We are committed to the cause of peace, stability and development in our region in particular and in the world at large'.

Expressing concern over the unresolved problems and issues endangering peace and security in the world today, he said problems like withdrawal of foreign troops from Kampuchea and Afghanistan, Israeli aggression against Arab and Palestinian peoples, Iran-Iraq War and illegal occupation of Namibia are still to be solved.

President Ershad spoke about the formation of the South Asian Association of Regional Cooperation and said this universally commended event has demonstrated the vitality and credibility of Bangladesh's active and constructive foreign policy. 'We deeply appreciate China's consistent support for our endeavours to attain meaningful regional cooperation.'

He said since peace and development are inextricably linked, durable peace will remain an unfulfilled dream as long as economic disparity among nations is not narrowed down substantially. To achieve this objective, he said it has become imperative to adopt an integrated



approach for resolving the global economic issues through continued North-South Dialogue and intensified South-South Co-operation.

The President said China has an ardent advocate in this matter and has earned deep respect and admiration of the developing nations specially of the least developed ones in promoting their cause and safeguarding their interests in every possible way.

He expressed the hope that Bangladesh and China will re-

main friendly and trusted neighbours set an example for South South Cooperation and continue to strive together for the realisation of their shared ideals of peace security stability progress and prosperity for the cause of humanity at large.

The banquet was attended, among others by the DCMLAs—Rear Admiral Sultan Ahmed and Air Vice Marshal Sultan Mahmud—Ministers members of the entourage of the Chinese President and high civil and military officers.

### Li Banquet Speech Summarized

Dhaka THE BANGLADESH TIMES in English 9 Mar 86 pp 1, 8

[Text]

Chinese President Li Xiannian said in Dhaka on Saturday night that his people would "remain for ever the reliable friends" of Bangladesh people in their just cause of maintaining national independence and state sovereignty and developing the national economy, reports BSS.

Speaking at a state banquet given in his honour by President Ershad, the Chinese President said it was a "firm policy" of his government to "constantly strengthen and develop" Sino-Bangladesh friendly relations and cooperation. "The very purpose of my current visit is to add bricks and tiles to the edifice of Sino-Bangladesh friendship", President Li added.

Referring to the existing traditional friendship since establishment of diplomatic relations in 1975 between the two neighbours President Li told his host, in his reply speech "our relations have progressed smoothly on the basis of the five principles of peaceful co-existence". The two countries had along supported and closely cooperated with each other in both bilateral relations and international affairs, he said and added that Sino-Bangladesh relations were

characterised by such distinctive features as "treating each other as equals, mutual trust, genuine friendship, and mutually beneficial cooperation".

In this connection he specially mentioned the "two successful visits to China" by President Ershad in 1982 and 1985.

President Li said the past decade since establishment of diplomatic ties between the two countries had borne out that "our friendship and co-operation are not only in the interests of our two peoples but also conducive to peace in Asia". He said he was convinced that with the joint efforts of the two governments and peoples, Sino-Bangladesh friendship would "certainly reach a new high".

Being close friends of the Bangladesh people, President Li said they had all along followed the development efforts in this country with great interest. He referred to the importance attached by the Bangladesh government to developing agriculture and expanding industry by utilising local resources, thus ensuring a sustained growth of production and enhancing the national strength of Bangladesh. Last year, Bangladesh faced with natural calamities, your army-men and civilians displayed an

unyielding spirit and an admirable devotion in rebuilding their homeland by relying on their own efforts."

President Li said Bangladesh won "high acclaim of the international community" for unswervingly pursuing an independent foreign policy of non-alignment, upholding principles and justice and making great efforts to develop relations and cooperation with the neighbours as well as other third world countries. "The Chinese government and people heartily rejoice over your achievements and wish your Third Five Year Plan for economic development a success", he said.

Speaking about China's efforts to develop good-neighbourly relations with the South Asian countries, he said his country sincerely hoped that these countries would live in amity with each other and engage in friendly cooperation for the attainment of common progress.

President Li said they were happy to note that South Asian Regional Cooperation initiated by Bangladesh had made "gratifying progress" with joint efforts of the seven South Asian countries.

He described as the "new milestone" the establishment of

the "South Asian Association for Regional Cooperation" (SAARC) at the last December's summit meeting of seven South Asian nations in Dhaka for promoting regional cooperation. This was an event of great significance in the history of the relations of South Asian countries.

President Li highly appreciated Bangladesh's foresight and unremitting efforts in promoting good neighbourly relations among South Asian countries and enhancing regional cooperation. China hopes that South Asian countries would make positive contributions to promoting regional cooperation, accelerating economic development and maintaining peace and stability in South Asia and rest of the Asian continent under the guidance of the principles of respect for "sovereign equality, territorial integrity, political independence and mutual non-interference in the in-

ternal affairs as set forth in the charter of the SAARC," he said.

Turning to China's efforts for the realisation of the goal of a socialist modernisation in industry, agriculture science and technology and national defence, the Chinese President said his country needed a long standing peaceful international environment and the friendship and cooperation of other peoples of the world. "China will unswervingly pursue an independent foreign policy of peace. We steadfastly stand by the third world and strengthen our unity and cooperation with other third world countries" he said.

President Li said: "We want to live in amity and engage in mutually beneficial cooperation with all the countries in the world on the basis of the five principles of peaceful coexistence. We hold that all countries big or small, should be treat-

ed as equals. We are opposed to power politics and hegemonism. We support the purposes and principles of the non-aligned movement. We support all initiatives and actions conducive to world peace and development."

The Chinese veteran leader hoped that the United States and the Soviet Union would hold "serious negotiations" on nuclear disarmament and cessation of their arms race in outer space, reach agreement at an early date and take practical actions to meet the world peoples strong cry for relaxing international tension and maintaining world peace.

He said the Chinese people together with the people of Bangladesh and other countries would work for relaxing international tension, maintaining world peace and promoting common prosperity of all countries.

#### Li at Civic Reception

Dhaka THE BANGLADESH OBSERVER in English 10 Mar 86 pp 1, 8

[Text]

Chinese President Li Xiannian said in Dhaka on Sunday that "most satisfactory progress" was made in the Sino-Bangladesh Friendly Relations and Cooperation in the last one decade since establishment of diplomatic relations, reports BSS.

"China and Bangladesh are two intimate friends that trust each other", the Chinese President said while addressing a civic reception.

The colourful civic reception was accorded to the veteran Chinese leader and Madame Lin Jiamel at the North Plaza of Jatiya Sangsad by the Dhaka Municipal Corporation.

Replying to an address of welcome by the Administrator of the corporation and the Home Minister, Major General Mahmudul Hasan, President Li said both the countries were developing countries and sharing suffering in history. Both China and Bangladesh, he said, were facing a common task of safeguarding world peace, developing their

respective economies and improving the living standard of their people.

President Li said there was a "broad prospect" for the friendly cooperation. He referred to the Chinese aided Polish Chemical Fertiliser plant, which was commissioned last January, and said it was a vivid demonstration of the mutually beneficial cooperation between the two countries. The Buriganga bridge, the work of which would soon begin, "shall stand as a permanent symbol of Sino-Bangladesh Friendship," he added.

He said the Chinese people "highly treasure" their friendship with the Bangladesh people and it was a "firm policy" of his government to continued strengthening and developing its friendly relations and cooperation with Bangladesh. China would continue to make joint efforts together with Bangladesh to "push our bilateral relations to a new high and make fresh contributions to peace in Asia

and the world and our respective economic development".

Appreciating the welcome and hospitality shown to his entourage by the people of Bangladesh, President Li recalled his last visit eight years ago and the visits of late President Liu Shaoqi and late Premier Chou Enlai. He said during his current visit he saw "great achievements" in the municipal construction which he said, "services as an epitome of the continuous economic development of the whole country".

Earlier, welcoming the distinguished guests on behalf of the citizens of Dhaka, Major General Mahmudul Hasan said the "ancient and modern contacts" between Bangladesh and China had cemented the brotherly ties between our peoples in a strong bond of friendship, unity and mutual respect. "Today our two people stand united solidly in their common aspirations", he said and added that both the countries belonged to Third World and its peoples "stand

shoulder to shoulder making all efforts for the promotion of peace and harmony in the region and the world".

The Chinese President was presented with a "golden key" of Dhaka city and a silver casket containing the address of welcome by the Administrator of

the Municipal Corporation. Madame Lin Jiamel was presented with a piece of famous Jamdani saree by Begum Mahmudul Hasan.

The civic reception was attended among others, by the DCM-LAs ministers, high ranking civil and military officials and diplomats.

### Chowdhury on Li-Ershad Talks

Dhaka THE BANGLADESH OBSERVER in English 10 Mar 86 p 1

President Li Xiannian and President H.M. Ershad on Sunday renewed their wish to continue joint efforts for strengthening and further developing Dhaka-Beijing relations and co-operation. The two leaders held their official talks at Bangabhaban where they discussed matters of bilateral relations and major global and regional issues.

During the talks which Foreign Secretary Faruk Ahmed Chowdhury described to journals as "most cordial and friendly" the Chinese President announced that China would provide Bangladesh with a 50 million yuan (about Taka 50 crore) interest-free loan for assisting its development efforts. With this new loan, the fifth interest-free loan, the Chinese assistance

to Bangladesh stands at 325 million yuan (over 100 million US dollars) during the last eight years since the signing of the first loan in 1978.

The Chinese President who is very fond of children has donated 60,000 pieces of garments for the children of Bangladesh.

Briefing newsmen on the talks the Foreign Secretary said "We noticed a remarkable identity of views between the two leaders. The discussion between the two heads of state went beyond the schedule and they talked for more than two hours, sometimes exclusively. The two leaders exchanged notes on developments in South Asia and discussed major global issues. Afghanistan, Kampuchea, West Asia, Iran-Iraq war, Namibia arms race and other issues of common concern figured prominently in the talks. "We see eye to eye with the Chinese side on these issues" the Foreign Secretary said.

The Chinese President congratulated Bangladesh for its pioneering role in launching SAARC. "We informed the Chinese side about our relationship and problems with the South Asian countries and the super powers and the Chinese side also told us about their relations with

other countries".

On bilateral relations the two leaders discussed the possibilities of joint ventures between the two countries with particular reference to Chinese suppliers credit. Transfer of technology and technical cooperation, the economic wing of the Chinese delegation accompanying President Li Xiannian will have detail discussions with Bangladesh officials to be led by Adviser for Finance M. Syedur Rahman to finalise the details of economic cooperation between the two countries.

Foreign Secretary Faruk Ahmed Chowdhury said that the talks were the continuation of the discussions the two leaders had in Beijing when President Ershad visited China in July last. He termed the visit of President Li Xiannian, the first by a Chinese President to Bangladesh, as a "milestone" in Dhaka-Beijing friendship. He observed that such visits at the highest levels demonstrated the keenness of the two governments to force further closer to each other. In the last ten years of establishing diplomatic relations between the two countries Dhaka-Beijing relations and cooperations had "crystallised satisfactorily" the Foreign Secretary added.

### More on Talks

Dhaka THE NEW NATION in English 10 Mar 86 pp 1, 8

[Text]

The Election Commission yesterday announced the procedures of voting by postal ballot saying that any intending voter would require to apply in writing to the Returning Officer of the constituency for a ballot

paper within 15 days from the date of publication of the notification on the programme of Jatiya Sangsad election, reports BSS.

According to an Election Commission press release, Any

person in government service or holder of any public office and his wife, if enrolled as voters in the electoral rolls of the electoral area in which he/she would have been resident if he/her husband had not been in such service or had not held such office will be entitled to cast their votes by postal ballot in the election to the Jati Sangsad. This also applies to persons under lawful custody at any place in Bangladesh.

The Election Commission press release said any person appointed for the performance of any duty in connection with election at a polling station other than the one at which he is entitled to cast his vote is also entitled to exercise his right of franchise through postal ballot. Such persons shall be required to apply in writing to the Returning Officer concerned after their appointment relating to the North-South and the South-South cooperation.

Both Bangladesh and China had 'remarkable identity of views' on all the international issues, he said.

The Bangladesh President during the talks apprised the Chinese President of the developments in the South Asian region in the context of South Asian Association for Regional Cooperation (SAARC) and in

Bangladesh's relations with other countries.

President Li Xiannian lauded Bangladesh for successful launching of the SAARC in Dhaka by hosting the first-ever summit of the South Asian leaders.

The Chinese President also apprised his host of his country's relations with others including the Soviet Union.

The foreign secretary said both Bangladesh and China had been seeking friendly relations with other countries of the world and had been cooperating with each other for promoting the cause of peace and progress.

He told a questioner that the two presidents had exclusive talks for sometime without any aide but with the help of an interpreter.

At the formal talks, the Chinese President was assisted by Madame Muhua Vice Foreign Minister Liu Shuqing and Vice-Minister for Foreign Economic Relations Lu Yueqian and the Chinese Ambassador in Bangladesh besides other members of the visiting delegation.

The Bangladesh President was assisted by Foreign Minister Humayun Rasheed Choudhury, Power and Energy Minister Mr Anwar Hossain and Commerce Minister Kazi Zafar Ahmed besides senior officials.

/9274

CSO: 4600/1563



BANGLADESH

PROBLEMS IN UTILIZATION OF AID DISBURSEMENT SEEN

Dhaka THE BANGLADESH OBSERVER in English 7 Mar 86 p 5

[Editorial]

[Text]

Since liberation in 1971, Bangladesh has received aid from different sources. The same is received in the shape of food aid, non-project aid and project aid. The total disbursement of aid—grants and loans together—has often fallen short of the commitment. Only in 1979-80 aid disbursement is recorded to be 1295 million US dollars against a commitment of 1193 million according to an official statistical source. Since then the disbursement has been less than the commitment. A rough estimate based on official statistics shows that disbursement in 1980-81, 1981-82, 1982-83 and 1983-84 stood at some 69%, 63%, 77% and 74% of the commitment respectively. The estimate for 1984-85 is not readily available for any comparison. And that for the current fiscal year is yet to be compiled. The aid packages come from bilateral and multilateral sources. Irrespective of the source, however, the disbursement trend is more or less uniform.

Of the aid packages, food aid—both grants and loans—appears to have been utilized quickly. The same is also true of blanket non-project aid which can be used by the government for priority areas. The trouble is with project aid which is often tied to the implementation of one or the other project in this country. The gap between commitment and disbursement of project aid is fairly pronounced. Project-aid disbursement in the form of grants was more than the commitment in 1979-80 and 1980-81. But the same has gone down in 1981-82, 1982-83 and 1983-84. Apparently grant disbursement came down to some 65% or so in those years, and loan disbursement for projects has remained somewhere around 50%. This is true of all sources of grants and loans for projects.

The gap between disbursement and utilization has also to be examined for an appreciation



of the problem. It is reported that utilization of Asian Development Bank loan stood at around 29% during the July-December period of the current fiscal year. Part of the failure is inherent in a number of local factors. One of them is the inability of the project managers to utilize the fund expeditiously. Some are blocked due to non-availability of counter-part funds needed for, among other items, acquisition of land building of premises, paying for the expendable items and even pay bills of officers and staff. The delay in procurement of materials including capital goods also hinder the progress of utilization of funds. Project managers are often required to wait for the approval by relevant authorities of the rates that get enhanced due to delays in procurement and price increases.

In the given situation the blame goes to the local authorities including project managers. It is they who should be aware of the need for speedy utilization of aid for specified projects. Working as they do within the framework of a plan, the planning agencies also share the responsibility of aid utilization. People who are the beneficiaries of such projects as well as the aid givers expect the policy-makers, project managers and operatives to work hard for the completion of relevant projects within the time-limit. Many of them reportedly work without enough training and orientation in project management which has grown into a systematic science. Our people should be trained in this area on a priority basis. It is gratifying to note that the Asian Development Bank has taken the initiative to organize a training seminar on this subject in Dhaka.

Incidentally, one may point out that cumbersome systems and procedures often encourage the unscrupulous among the operatives, managers and policy-makers to derive extra advantages for themselves. It is imperative on our part therefore to go for an inquiry into the causes failure in aid-utilization and install a system of accountability along with the adoption of effective procedures for project management, without delay. It is not enough to say that disbursement of aid falls short of commitment. Rather we should gear our machinery to effective utilization of project-aid and thus generate among our donors the confidence in our ability to do so. We should also make necessary allocations for counterpart-funding of projects. As project-aid is meant for key industries, such as fertilizer, power generation etc. vital to the self-sustaining growth of the economy, the prevailing gap in utilization of aid has to be urgently filled.

BANGLADESH

BRIEFS

**VISITING POLISH MINISTER**--The visiting Polish Deputy Minister for Foreign Affairs Dr Jan Majewski called on the DCMLA and Minister for Industries Air Vice Marshal Sultan Mahmud on Wednesday at the Jatiya Sangsad Bhaban and discussed matters of bilateral interest reports BSS. During the discussion the Polish Deputy Minister appreciated the progress made in the economic sector by the government of Bangladesh and the ever increasing ties of friendship between Bangladesh and Poland. He expressed keen interest in trade and assistance programme in the steel and engineering pharmaceuticals basic chemicals and textile sectors. The Polish proposal for improving production in Bangladesh Machine Tools Factory and suggestions for provisioning the materials required for Chalna Port and Railway workshops also came up for discussion. The DCMLA said that Bangladesh would welcome Polish expertise through joint venture projects in various sectors preferably with Bangladeshi private entrepreneurs. [Text] [Dhaka THE BANGLADESH TIMES in English 13 Mar 86 p 8] /9274

**VISA EXEMPTIONS NOTED**--The Government has allowed exemption from visa requirement country from tourists of 23 countries holding return tickets for a period of 15 days to promote tourism in the country an official press release said Wednesday reports BSS. [as published] The countries which are allowed the exemption from visa requirements are the USA, Norway, Sweden, Denmark, the Netherlands, France, Portugal, Spain, Italy, Federal Republic of Germany, Luxemburg, Belgium, Australia, Indonesia, Thailand, Nepal, Austria, Maldives, the Philippines, the United Kingdom, Switzerland and Greece. It has also been decided that such facilities will not however be extended to those who are black listed or to whom visas are not issued ordinarily. [Text] [Dhaka THE BANGLADESH TIMES in English 13 Mar 86 p 8] /9274

**JALLED BANGLADESHI CHILDREN**--Satkhira, Mar. 5--A large number of Bangladeshi young boys and girls are still in the Calcutta Jail Hajat due to alleged negligence of Bangladesh Mission at Calcutta. This news appeared in the influential Bengali Daily--The Ananda Bazar of Calcutta recently. The daily's report said that Indian Police took them under custody from Calcutta and Bombay while they were moving aimlessly. Afterwards police presented these guardianless children before the Salt Lake Juvenile Court. As per court instructions they were sent to Indian Civil Service Institution of Lilua Jail. The children were taken under arrest on July 29, 1981. The child prisoners were presented before the Court several times. The Court instructed to receive and push back these innocent Bangladeshi children. Accordingly the children communicated with the Bangladesh Mission at Calcutta but all in vain. No action in this connection has yet been taken. [Text] [Dhaka THE BANGLADESH OBSERVER in English 13 Mar 86 p 7] /9274

21 April 1986

## INDIA

## JANATA LEADER QUESTIONS GANDHI REMARKS ON U.S.

Calcutta THE SUNDAY STATESMAN in English 9 Mar 86 p 9

[Text] Chandigarh, March 8--Mr Krishan Kant, Janata leader, has questioned the Prime Minister's recent claim that "basic mistrust" between Indian and the USA had been removed. In a statement issued here today, he asked what the causes of that mistrust were and how they had been removed.

He said security perceptions and concern of the two countries had been different ever since Independence. One of the causes of mistrust was that the US assurance that arms supplied to Pakistan would not be used against India was not kept. Was the Prime Minister satisfied on this count? he asked.

He said President Zia's "peace offensive" towards India included cool, calculated planning, giving refuge to disgruntled and misguided Indian Sikhs, training and equipping them with arms and sending them and other Pakistani infiltrators into Punjab and Jammu and Kashmir to instigate and aggravate social tensions, thus weakening and destabilizing India. The latest reports from Jammu and Kashmir showed how the present communal flare-up "was led by Pakistanis who had infiltrated from Pakistan or were trained in Pakistan -- like the terrorists in Punjab" as stated by the Congress(I) M.P. from Jammu and Kashmir, Mr G.L. Dogra.

The only way to meet the threat of terrorism in Punjab was to get at the centres where the terrorists operated from and were trained and to defuse the support base in the people through political and social education to change the motivations built up over the years, Mr Kant felt. That required strong intelligence agencies free from political intervention and infiltration by terrorists and foreign agents.

Communal trouble had flared up in 30 to 50 villages of Anantnag (J and K) on the same night. Punjab had witnessed similar trouble at 43 railway stations on April 15 and 16, 1984. The people were entitled to know the location of centres from where plans were being masterminded and training given to put these into action, Mr Kant stressed. If they were located across the border, how did the Prime Minister or the Chief Minister of Punjab propose to deal with them to meet the continuing menace of terrorism in our border states? he asked.

Mr Kant said the answers to his questions were relevant to the security of the nation. Could the safety and security of the border state of Punjab and Jammu and Kashmir, and thus of India, "be kept hostage to the new basic understanding" arrived at between India and the USA? he queried.

/12851

CSO: 4600/1544

INDIA

TEXT OF TELEGRAPH INTERVIEW WITH RAJIV GANDHI

Calcutta THE TELEGRAPH in English 12 Mar 86 pp 6, 7

[Interview by M. J. Akbar with Prime Minister Rajiv Gandhi, date and place unknown]

[Text]

*Q: Three months ago everything seemed to be going right for you. After that, suddenly everything seems to be going wrong. Why?*

*A: I don't think everything is going wrong, though there's such a perception in certain groups. The fact is, certain hard decisions have to be taken. And certain actions started. Perhaps these have upset some people.*

*Q: Hard decisions of what kind?*

*A: Like, for example, Vishwanathji's action against certain business groups. That seemed to be the turning point in the attitude of the press.*

*Q: No, there is also the Muslim Personal Law. We'll come to that. But it has been alleged that part of the reason remains your ignorance of what is called 'real' India.*

*A: I don't think so. The point is that we have to break through what has become a vested interest in almost every set-up—whether it is government, whether it is private industry, whether it is public sector, farmers, wherever, the whole lot. The system is being brought to a grinding halt by vested interests. We've got to break it.*

*Q: But are you going to give in to pressure?*

*A: No.*

*Q: That again has been alleged, as for instance on the Muslim Personal Law you succumbed to pressure and...*

*A: Oh, I don't agree at all.*

*Q: What was the rationale in that case?*

*A: I feel that the law that we've brought in fact gives women much more rights. But the Bill is in Parliament and I do not think an interview is the right place to get into the details of this.*

*Q: One of the reasons why people are getting worked up is because of the support you seem to be getting from people like Banatwala on this subject.*

*A: Well, it's not only Banatwala. The majority of Indian Muslims, the average Muslim, is very worked up about it. The Muslims had felt at the time of independence and soon after that India will protect their system—*

*Q: Or their identity—*

*A: Their identity, their culture in a way. And if this (controversy) has made them feel threatened in India, that this is the first step towards really finishing Islam in India, I think it's a very dangerous thing. Because our intention is not to encroach on that.*

*Q: So you see this then as a part of a larger reassurance rather than a specific question of the rights of women in Islam?*

*A: Very much so.*

*Q: What is Arif Mohammad Khan's future going to be?*

*A: He is a member of our party. There is no problem on that.*

*Q: How did you take his resignation?*

*A: It was up to him to decide.*



I thought that he over-reacted a bit, because I had talked with him earlier and after the introduction of the Bill and we discussed the Bill; and I thought that he felt, after having gone through it, that the Bill was not as fundamentalist as he had originally thought. So, I was a little surprised. But apparently he felt very emotionally...He is an emotional person.

*Q: But also quite honest.*

A: He is honest, yes.

*Q: One belief that has created problems is the feeling that Banatwala helped to draft the Bill.*

A: No. Not at all. The Bill was drafted by the law minister, Asoke Sen, and Banatwala was not really involved in it at all.

*Q: What has been the Opposition's role in this whole controversy?*

A: Well, unfortunately, and this was one of the things I did say in Parliament while answering the President's address, they have not played a positive role. The issue was women's rights and the rights of indigent women and unfortunately it has been projected in a totally different colour. They converted it into a religious issue almost and it has made the Muslims in India—I don't say all the Muslims but a very large majority of Muslims—feel that their system may be threatened within the Indian framework. This cannot be allowed to happen.

*Q: Which becomes another issue altogether.*

A: Which becomes a totally different issue.

*Q: You didn't consult your own MPs apparently on this issue.*

A: We did. We consulted a number of MPs. Those MPs whose views we knew very clearly we didn't talk with them too much about this. But the others, we did. Muslim MPs plus other MPs. There is a reaction among a certain group of MPs. But I think that reaction in fact represents what we are trying to fight.

*Q: This actually follows from the larger allegation that you don't meet your MPs often enough, and that you don't consult them often enough.*

A: Well that's not true. I have been meeting them daily

now. I think I must have met at least half the number since Parliament started... It must be close to 200 odd MPs—individually, and not as groups; apart from meeting them in groups.

*Q: How do you see the problem of dissidents which seems to be rising in the party?*

A: I don't think it is dissidence. You see, what we are trying to do—the party has traditionally not been an outspoken party, and this is true not only of the Congress, but is so of all other parties also. When we won the election last year we got a huge majority, and the result was that there was no Opposition in the Lok Sabha. I thought it was necessary that we allow something to come up, otherwise we would drift off on a tangent and not know that we were going on a tangent. So we have deliberately asked our MPs to be outspoken and to say something when they feel that it is important. Now when you open such things out after they have been closed for a while—they most probably were closed when the party was in a difficult period, when we had a very marginal majority. At that time this must have taken place and the lid never really lifted off. So there will be a tendency to swing to the other direction. A bit of control and it will come back. But I feel it is very positive that such things do come out into the open and we are able to take action where we deem fit or convince others where we think we are right.

*Q: Or take correction where you feel that the party is...*

A: That's right. And more than that, we have asked, we have made it absolutely clear that even on the floor of the House, unless there is a whip and they have to stay on line, they can be much more flexible.

*Q: But this is now being conceived as weakness on your part: that you are basically a weak Prime Minister who can be manipulated.*

A: Well, I of course disagree with that entirely. I am—now that's what I think of myself...

*Q: What do you think of yourself?*

A: I don't think I am weak. I am very open when I am not

very clear about a particular subject. But after I am convinced that this is what needs to be done, then I think I may be a little too rigid, sometimes.

*Q: During last year's interview I remember one answer which impressed me—that you would go ahead with change, you would go ahead with bringing the country back on the rails even if it meant doing that at the price of your chair.*

*A: Absolutely.*

*Q: And you still believe in that?*

*A: Well I believe in that. But let me phrase the thing the other way round. I believe that people have put me here to do precisely that, and it is not at the price of the chair. Unpopularity may be a temporary problem, meaning unpopularity within sections, not necessarily with the people. The problem really is there are too many areas that have to be tackled, and time is limited. If we do not tackle them, this country is going to be in difficulties. I don't mean that things were not done properly. But with every phase in your development certain decisions have to be taken, certain directions have to be positively taken. And this is a time when we must do this. What it boils down to is really confronting vested interests in almost every field...*

*Q: Including, as you said in Bombay, your own party.*

*A: Including our own party, including industry, in business, in administration, the whole lot, farmers.*

## **Pranab Mukherjee and dissidence**

*Q: Why do you think people like Pranab Mukherjee or Gundu Rao are creating a dissident problem within the party?*

*A: Well there are always some people who are not absolutely happy with the way things are going. I have chosen a team. Well, I think the team is working alright—although at all stages, you have to improve the team, improve their functioning.*

*Q: Are you giving an assurance that the team will be by and large steady from now to 1990?*

*A: No, I am not giving that assurance at all because the steadiness will depend entirely upon performance. And if we are not getting performance in certain areas we will be forced to do something.*

*Q: Do you fear an MPs revolt as is being much talked about?*

*A: No. Not at all. You know such talk has been going on—it's been going on since 1980...in the central hall. Probably something to keep them busy.*

## **Rama Swarup case**

*Q: One other point about your style of functioning is: don't you sometimes take honesty too far—an example being K.P. Singh Deo's resignation?*

*A: No, I don't think honesty can be taken too far. And certain things have to be corrected. One point to bear in mind regarding K.P. (Singh Deo) and all the others—Chandrakarji, Sanjivi Rao who have resigned, as also those whose names have been mentioned in the case—is that none of these people have been charged with anything. There is no charge as such. But when any such thing happens there is a bit of a shadow which comes over and if KP has thought, in the fitment of things, that he resign, and his name is cleared when he is not a minister, I think that is very honourable.*

*Q: But isn't he paying too high a price for something which is really quite innocent?*

*A: Well it's a question of where one draws the line.*

*Q: But I can see a situation where some unscrupulous persons would charge you with such a thing tomorrow.*

*A: There is such a danger...On another level, the Maharashtra case is one where the court has given a ruling without directly implicating (the chief minister) but saying that there is reason to suspect—which is nebulous, not at all like the Karnataka case where it was very clear and hard, where the government was very directly involved.*

*Q: Is this an escape clause which is going to be used to bring Mr Nilangekar back?*

*A: No we won't use any escape clauses.*

## West Bengal Congress

**Q:** Do you see any solution to the chaos that is going on in the Congress in West Bengal? Do you think you can take on the CPM with this kind of a party?

**A:** We have got a year to build the party from the various groups.

**Q:** Less than a year now.

**A:** Less than a year, in fact, it would be much less than a year because we will have to give some time for gearing up for the election. I think we have the capability of doing it. The mood of the people I think is fairly clear—that they are shifting from their traditional support of the CPM and doubts are coming into their minds.

**Q:** But given the elections that have taken place, the Congress seems to be losing election after election, in state after state. Are we going to see it lose in Haryana and Kerala next?

**A:** No, not at all. We are going to win both.

**Q:** Are you confident of that? What gives you the confidence?

**A:** Two things. One is what we have actually done, which sometimes is not reflected immediately. And second, is the alternatives that are available: the state of the Opposition.

**Q:** How do you feel about your party's position in the south now?

**A:** Well, there has been an improvement now. I think what you have got to divide is the public perception and the legislature's perception. I think that in the south the Congress is gaining ground; in Andhra most definitely, in Karnataka definitely. Tamil Nadu is a very difficult question because we have taken a stand that we are supporting MGR, so the Congress is not an independent entity in that sense and we are not fighting MGR. So it is much harder to evaluate really what the position is like.

**Q:** But don't you think that it's time that you started taking note of MGR's health.

**A:** Well, MGR's health is a serious matter... we hope that he remains healthy.

**Q:** And there is a lot of problem in your party with the going of Oscar Fernandes to Karnataka.

**A:** Not really I think too much weightage is given to things like Christians, Muslims, Hindu, backward, forward (castes). In the south they also have divisions between Harijans. This groupism also has become a vested interest.

**Q:** Religion has become a vested interest?

**A:** Well, divisions on various communal and then sub-communal lines. I don't think Oscar is having problems at all. In fact the party is doing very well since he has gone there. In fact for the first time in many years we have a party office that is actually alive and functioning there.

**Q:** One of the other problems is that in the traditional quota pattern of division of spoils, there is no Congress Muslim chief minister.

**A:** But this is not just a problem of chief ministers. You know it is difficult to get Muslims who are in high places. I have been looking for senior Muslims in various areas, administration for example. It is very difficult to find people.

**Q:** Your party is being accused of having narrowed down, of having become a party of north Indian Hindus.

**A:** Well, we are changing that very much. That is one of the reasons for bringing in Arjun Singh and redoing the party set-up to give it a more independent identity and base, and really broaden its base once again.

## Finance minister and the raids

**Q:** To come to what is obviously your most controversial minister, Mr V.P. Singh. Do you approve of the raids?

**A:** Well, yes and no. The raids on business houses—I don't think we can have a system where there are no raids. The problem is not the raids themselves, but perhaps the manner of the raids, the way they are done, the level of people who are doing the raids and the people whom they are

raiding—actually, raiding is the wrong word, whom they are investigating. So this has to be looked into. Also, I feel very strongly that we are trying to change certain basic ways of functioning for the average individual from 1985 onwards. We have done so with income tax. We must have a similar system for excise as well and all the indirect taxes, where there is some opportunity given to come clean. Of course, in excise the problem is that any opportunity then reflects on future evidence. So these things have to be sorted out. We have had a number of discussions on this with the finance minister and with the other ministers. I believe the finance minister is coming out with a composite package on this. I am not quite clear on what he is going to come up with.

*Q: You mean to say implement the law without harassment?*

*A: Absolutely.*

*Q: Will you ditch your finance minister if he becomes unpopular?*

*A: No.*

## **Petroleum price-hike**

*Q: Can you justify the price-hike before the Budget? A price-hike I can understand; that is a decision you can take as a government, that you are forced to do. But before the Budget?*

*A: Well, this particular price-hike, including the petroleum hike in particular, has been done outside the Budget on a number of occasions. It has been done before the Budget, before meaning within a few months before the Budget I believe on a number of occasions...*

*Q: I think Mr Pranab Mukherjee did that...*

*A: Even before that. We went back about ten years to check this and there have been a number of occasions when price-hikes have taken place. But basically the line we have taken, the FM (finance minister) has taken, is that we have to come out of the secrecy of the Budget in a way, but at the same time we must draw a line between price-hike and resource-mobilisation—I mean price-hike for resource-mobilisation and price-hike for*

*costs—and we should try and not have resource mobilisation price-hikes outside the Budget if they can be avoided.*

*Q: One of the key areas in which so much of your money goes is actually on the cost of governance. Are you conducting any exercise to reduce that?*

*A: Well, I wouldn't tell you on that machine, but we have taken a fair number of steps. The crux of the problem lies only in two areas: the cost of government and the public sector. Defence is one place where you can't cut. I mean when you need certain equipment, certain manpower, that is fixed. If I put it slightly differently. On these issues we are really as a government the custodian of the public money and if we invest it badly or use it badly, we are not discharging the duties that have been given to us.*

*Q: So, you are going to demand more efficiency both in public sector and in the government?*

*A: Yes, we are.*

## **Raids and the media**

*Q: One thing you said in the beginning of the interview was that the attack on you from the press really began with the start of the raids. Are you suggesting a close nexus between the private sector and the media?*

*A: I don't know. I think I will leave it at that; that I don't know...*

*Q: But...*

*A: Well, the timing seems to be...maybe it is just a coincidence of circumstances.*

## **Kashmir**

*Q: To come to two recent decisions: one is in Kashmir and the other is in Maharashtra. The two chief ministers have gone. At what point did you decide that you have had enough of Mr G.M. Shah, or that is the last straw?*

*A: The handling of the riots, the government action; we thought it was not alright.*

*Q: In the last year, certainly in the last eight months, there has been a great amount of increase in activity of even anti-national elements within*

*the Kashmir valley. Why was action not taken earlier?*

A: It is very difficult to say looking back, but there were always reasons for not being able to do something. Well, again, there are a lot of interests operating there. Also, because I am basically very reluctant to have governor's rule in any state and I didn't really want to go for governor's rule. But after the riots there seemed no choice. If we had gone for governor's rule earlier then it would have remained unstable because of the party break-up in the legislature; then we couldn't have had stability.

*Q: Is it also true that you don't particularly trust Farooq?*

A: We (Farooq Abdullah and I) had a very good talk the other day, but I read somewhere in the papers that he gave some statement saying that I had said something to offer him the chief ministership. There is no question of offering him chief ministership. I mean a coalition with Congress support (was never suggested) because I was clear that there is no way we are going to let the Congress come in under these circumstances and conditions.

*Q: On Maharashtra: obviously you thought it necessary that the chief minister resign.*

A: Well, he phoned me late at night and I said, yes, you go ahead and do it.

*Q: The problem, I think, not only in Maharashtra but elsewhere too, is that...do you feel that you have enough quality or talent in your party to produce new chief ministers at such short notices?*

A: It is not just a question of whether we have (the requisite talent in) the Congress, it is a question of whether the country has. And the answer really is that we have to: We have to produce chief ministers, and if we can't find them at one level, we have got to look at another level.

## **Sharad Pawar and Congress(I)**

*Q: Does another level mean asking Sharad Pawar to join Congress(I)?*

A: No, at the moment there is no talk going on on that.

*Q: But he is keen to join, isn't he?*

A: That has been on-and-off and on-and-off, he has met me a number of times.

*Q: What has been the hitch?*

A: There has been no hitch as such. I mean we just thought that there was no need for him to join and I think when I talked with him also last time, he also felt that it was not the right time for him to join.

*Q: So, you need a strong Opposition in Maharashtra?*

A: I don't think he is really giving us a strong Opposition, either. But what is needed is to get all the positive forces together in the country. Now it doesn't necessarily mean that they join the Congress; we can work together on certain things and we should work together, because on many issues there really is no difference of opinion other than political (rivalry). You know, somebody wants to get a bit of mileage out of embarrassment; that can cut both ways and so we do it too... But this is the sort of thing that we must try and stop.

*Q: You criticised the Congress in your centenary speech. What are you doing to attract new talent of the kind that you would like to enter politics?*

A: We have got a lot of new people in. We have got them in during the last two elections. It is a bit of a problem getting them to be fully operational because of the pressures within and also the fact that they have just come in; and logically, because they were new into the system, they don't have a background with political handling which must come in before they can really be taken a step further.

*Q: But you didn't have a background with political handling and you have done reasonably well.*

A: For two/three years I was in the party. So give these chaps two/three years.

## **Electing a chief minister**

*Q: I presume you will go by the principle that the legislature party should elect its new leader in Maharashtra?*

A: Yes. Well, we have already decided on the obser-



vers.

*Q: You won't impose your candidate?*

A: No.

*Q: But supposing, 120 MLAs want...*

A: No, it doesn't actually divide up like that. What normally happens is: we try and avoid the voting on such issues because then it puts a divided House in front of a chief minister. Supposing the split is 40:60, then the chief minister knows that, look, these are the 40 per cent who didn't support me, and he will always hold something against them in his mind. To avoid something like that we have an informal sort of assessment of the support the particular person has and try to build up a consensus for that particular person. But if we suggest someone that the legislature doesn't want, the fact is that it won't work, and it will just bounce back to us a few months later with a total collapse. So, it has to be someone who the legislature wants, and the observers' task really is to assess who will be able to carry the legislature with him.

*Q: I believe that 125 MLAs have signed in favour of retention of Mr Nilangekar.*

A: (Smiles) I think they have read the newspapers on what happened in Karnataka!

## President and PM

*Q: One other subject: I believe there are differences between you and President Zail Singh.*

A: No, not at all.

*Q: Then why didn't you allow him to travel abroad?*

A: I didn't realise that he wasn't travelling...In fact, I was quite surprised when I was told. I have not put any restriction on his travels.

*Q: And that has been sorted out?*

A: Well, I hope so.

## Ayodhya

*Q: To come to a problem which is obviously going to command much attention this summer, the problem of communalism, particularly in the north. Do you support the opening of the Babari Mosque or Ram Janmabhumi?*

A: Any place that has been holy to two communities, two places close-by, is very prob-

lematic. We have been going into this and hopefully we will be able to get some sort of answer for this in the coming months. But we must be sure that the holy places of each religion are respected fully.

*Q: If it is the same holy place?*

A: Well, actually it is not, I believe.

*Q: It has been converted into...*

A: Yes, it has been converted into a problem and the perception is that it is; that is the real problem. I have asked for a detailed map, I haven't got one yet. But I have got a sketch where on the sketch they are different.

*Q: Do you support the administrative decision to allow rathayatra proclaiming liberation?*

A: No, that was wrong. We should not have allowed such jubilation.

*Q: What administrative measures do you now propose to take to calm the situation?*

A: Well, we have asked the UP CM to look into what has to be done and he should be coming back to us soon.

*Q: Since your own constituency is affected, why don't you take a personal initiative in calming the situation?*

A: Well, in my constituency—there have been some very positive gestures in Amethi; the Hindus have protected Muslims. For instance, in Bhanauti village.

*Q: There is a serious problem with which I think you will agree, that fundamentalism in our country has been on the rise. It obviously requires political tackling. Do you have any idea how to go about it?*

A: Fundamentalism is basically on the rise all over the world. It is a trend. I don't mean only Muslim fundamentalism, which is what is projected most, but I think the tendency is to go back to that. Perhaps it is a reaction of certain groups to education, to a sort of opening out of one end of the system to a more secular, more common perspective. The people who are at the other end react to it, and they go back to the past. We have got to fight it; there is no other way. We have got to fight it politically; we must throw up

people who have the capability of confronting fundamentalism. We must fight it by getting a certain confidence of the communities involved, that it is not only fundamentalism that looks after your interests...

*Q: In fact, fundamentalists who cannot look after their interests.*

*A: That is right. Secular forces look after their interests much better.*

*Q: Yes, but life has become too cynical. Words like secularism are now treated as sentimental.*

*A: Yes, we have got to change that. Education has to be the way.*

*Q: And also political motivation; the absence of any kind of functioning by a party is one problem.*

*A: Yes, all parties. Congress carries the biggest responsibility because we are the biggest.*

*Q: But how do you react to the charge of appeasement through decisions like opening the temple and this Bill.*

*A: We hardly had any choice (on the opening of the mosque/temple). Once the court says so, you are bound by that.*

*Q: You are bound to react you mean?*

*A: Well, we have to do something, we can't just sit back because then it causes the reverse problem. On the Bill, we don't think it is appeasement at all. I have said on the floor of the House that, one, we want Muslims to have a personal law, if they so want. Second, that we feel that the rights of women have not really been affected. Lastly, I have said on the floor of the House that if there is any substantive question which is raised regarding the Bill, then we are open to amending the Bill. But, so far, nobody has really brought any proposal.*

## Accords

*Q: Now, to turn to another problem. Last year's great achievements, the accords, seem to be partly unravelling now. Take Assam first. The impact of the AGP victory is creating the tremors elsewhere. You just have been to Arunachal, and the fact that the students' movement there is being deliberately en-*

*gineered or encouraged by AGP can have dangerous implications. How do you propose to tackle that?*

*A: There are two aspects involved here. The crux of the problem is: There are not enough jobs for the people who are getting educated. Part of the problem is that the education we are giving is such that jobs are just not available at the end of such learning, so that tailoring has to be done. This is part of the exercise of human resource development policy. The second question is, sons of the soil. Nobody from Assam can come to Arunachal, nobody from Arunachal can come to UP. I think this is ridiculous, we cannot allow this to happen, it is highly dangerous and here my view is very clear—that we cannot allow this sort of thing to go on. We cannot allow a sons-of-the-soil policy to go on, but we cannot counter them by merely saying no. You have got to counter it by giving job opportunities.*

*Q: And making your own policy credible.*

*A: That is right. So, we have to do it that way and not by just forcing a law or bulldozing a solution. The other problem is of people crossing our borders. You call them refugees, you call them immigrants, call them whatever you like, but the numbers are much too high, and we cannot allow it to happen. We will bring forward certain laws to try and stop this. I have already said this in Parliament, I have said it on a number of occasions. But of course it might involve a certain inconvenience to citizens.*

*Q: How?*

*A: Well, how do you find out who is a refugee. How do you find out who is an immigrant. Whatever we have got to do, we have to prevent harassment.*

*Q: There is a very good example of the Janata MLA in Bihar, Mr Taslimuddin.*

*A: We must look into that. But—for example, all over Europe and the US everybody carries an identification with him, which he has to carry. Now, if we ask our people to carry it, and traditionally we have not carried it, it might be taken as a harassment. But the*

cost of not doing that is very high, especially in certain border areas, sensitive areas...

*Q: Are you going to revive the idea of identity cards?*

*A: I am very much for identity cards, most certainly in border areas, border districts and in sensitive areas.*

*Q: But the minorities are frightened that they may not get the identity cards?*

*A: No, this should not happen. This is where the credibility of the whole exercise comes. That is why it is taking a little time.*

*Q: How can we expect AGP or AASU to be honest in this matter?*

*A: That is where we have got to see that no local interests come in, because local interests work both ways.*

## Transfer of Chandigarh

*Q: Now, on Punjab, terrorism obviously has not been checked.*

*A: Well, two or three things have happened which have made it a little difficult. The crux of the issue really turns out to be Justice Mathew's report which has made it very difficult for us to go ahead with the transfer of Chandigarh. Now, we are at the moment talking with the chief ministers of Punjab and Haryana to see how we can sort this out. Now, we have got certain ideas and I think we can come out of the impasse. But what is really required is a much more comprehensive exercise, and have a sort of progress report and a sort of assessment of how we move on the rest of the points. And we would like to get it as soon as possible, and we will be working on them.*

*Q: In the meantime, if you give Chandigarh to Punjab, you lose Haryana in the coming elections.*

*A: Well, elections can come and go, it is not that vital. The accord itself says that you can't give Chandigarh unless you give something to Haryana. The other thing that we are worried about is the progress on the water issue: the Sutlej Canal and the allocation of waters.*

*Q: That of course you your-*

*self can solve by taking direct interest in completing the canal. Make it a Union government project.*

*A: Well, we could be willing to do that but it is a Punjab project...*

*Q: That has been suggested, isn't it?*

*A: That is one of the suggestions, not quite acceptable to Punjab as it stands.*

## Doordarshan

*Q: Now, to come to the other equally controversial minister, Mr V. N. Gadgil. Is the liberalism of last year which you injected into Doordarshan and government media over?*

*A: No, it should not be over. It must continue. One or two problems are coming up which I think need a little bit of correction—not a reversal but a correction, which is perhaps that we are projecting too much of consumerism into very remote areas which can cause problems.*

*Q: But the bigger problem is of showing criticism of Rajiv Gandhi on TV, isn't it?*

*A: No, I have got no objection to criticism of Rajiv Gandhi on TV.*

*Q: Yes, but your people who are in charge of TV seem to find that a real problem...*

*A: No, unfortunately Doordarshan tends to swing like a pendulum from one extreme to the other. Somehow we have got to get them on to a more balanced platform.*

*Q: I don't want to use a personal example, but I can't resist this one. One of the programmes we have offered on Newslines was a discussion on how Doordarshan treats you, how it projects you, and we asked three former I and B ministers and asked critics. But Doordarshan refused to show that...*

*A: I don't know this.*

*Q: Would you be in favour of showing them saying that yes, Mr Rajiv Gandhi is projected too much?*

*A: Well, I myself have said that I am being projected too much, so why go to three former I and B ministers? I have tried to point out to them that when I go to a place it is not so that I should be projected, but it is more so that the place*

should be projected. If I go to Arunachal, it should not be Rajiv Gandhi going to Arunachal that should be the focus. There is such a place like Arunachal, it exists, these are the problems that the people are facing, and these are the difficulties, this is the progress that they have made, these are their achievements. That somehow doesn't come through on TV.

*Q: The more important question is: Have you found the system resistant to change?*

*A: Very much so.*

## **Sri Lanka**

*Q: Why haven't you taken a hard line on Sri Lanka?*

*A: We thought that the Sri Lanka government was not responding adequately to peace initiatives that have been going on in the past months, and the reduction of activities of the extremists. We have also found that the moves that they are making come too late, are too small, and more needs to be done. The Sri Lankan government must come out strongly in favour of a political solution if they are really in favour of a settlement and there has not been any attempt by the Sri Lankan government to actually talk to the Tamils. It has always talked to India instead. Now we don't want them to talk to us, we want them to talk to the Tamils.*

*Q: Now, Pakistan. Do you think you will be able to achieve your scheduled, or your promised trip to Pakistan this year?*

*A: Well, we had tentatively agreed to go in the first half of the year. But that looks very difficult now. I don't say we have not made progress. We have definitely made progress. But on certain issues where we originally had an indication that they were actually going*

*to do something to show their commitment to friendship, which we thought were indicators to us of intent—there, movement has been a little slow. For example, on the hijackers. Now, they have convicted them but it looks as if they have got tied up over a long period again. So, these sort of things, and certain other things which I would rather not talk about, indications that we get on handling of the Sikh extremists, on Punjab, on Kashmir. Now on Kashmir for example, there has been a string of statements which is totally contradictory to what we talked about, what is the standard position and from which we had agreed not to deviate.*

*Q: There has been an accusation of your personal involvement in some contracts, for example the HBJ pipeline, and your connections with Snam Progetti...*

*A: Somehow people think Snam is my personal domain. Snam is an Italian public sector government owned company which functions as any public sector company functions and I have absolutely no intention of interfering in the decision-making... What we must do, and we must be sure about, is that the evaluation is good and correct. Now I was approached by the Canadians at a very high level on two occasions and told that the thing is not going well. I mean that the Canadians were not being treated fairly. So, without actually going into details, I have asked our people to look into it. I want to clear the air because there is a charge that the evaluations have not been handled as they should have. But at the moment it is, I believe, under assessment.*

*Q: Thank you very much.*

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INDIA

HINDU ANALYST SEES CHANGE IN GANDHI RULING STYLE

Madras THE HINDU in English 9 Mar 86 p 12

[Article by G. K. Reddy]

[Text] NEW DELHI, March 8.

There are signs of serious re-thinking in the inner circles of the Government to pin-point the causes of the present psychic downturn in the popular mood, leading to criticism of the Prime Minister's policies and actions, as though his performance was falling short of public expectations.

After a comprehensive reassessment of the political scene, the more perceptive persons in Mr. Rajiv Gandhi's entourage are reported to have concluded that the current ferment in the ruling party is largely attributable to the absence of a proper personal contact between the Prime Minister and his party colleagues.

**Standing still good:** These confidants, however, feel reassured that Mr. Rajiv Gandhi's popularity is still high, his image untarnished and that the common people continue to look upon him as a man of destiny. This is despite the fact that the earlier euphoria is gone and the articulate middle classes have started talking disapprovingly of some of the glaring inadequacies of his government.

But the very fact that there is a growing awareness, even within this charmed circle, of the imperfections of the present power structure, especially the way important decisions are taken without any inner party discussion, is having its own corrective impact on the functioning of the Government.

There is a noticeable change in the Prime Minister's style. He is now more accessible to party colleagues and more responsive to criticism, less dogmatic in the assertion of his views and less opinionated in his defence of government policies. But those in charge of party affairs tend to mistake manipulation for management to create an illusion of unanimity, little realising the damage they are doing to the political system.

**No talk of Centre-State strains:** A major factor in favour of Mr. Rajiv Gandhi, according to many perceptive observers here, is that he continues to maintain a fairly good working relationship with non-Congress (I) Chief Ministers. Thus, nobody talks these days of any great strains in Centre-State relations.

The fact that the whole country has acclaimed the imposition of Governor's rule in Kashmir

— the first case of such Central intervention since Mr. Gandhi became Prime Minister — has helped his reputation as an upholder of constitutional propriety in his dealings with States.

But the haphazard manner in which many changes have been made at the Centre has left the Prime Minister without a well-defined hierarchical dispensation. His own secretariat is not fully geared to provide him with the best possible professional advice and act as a functional link between him and the other ministries and departments.

**Too little coordination:** In the field of foreign policy, for instance, there are too many advisers and too little coordination, with deplorable examples of conflicting perceptions and cross-purposes in handling sensitive issues like Sri Lanka and Pakistan. In the domestic sphere too, there have been similar lapses in implementing the Punjab and Assam accords, coping with communal changes and increasing dangers of terrorism, and keeping up a degree of consistency in carrying forward the policies of economic liberalisation and countering inflationary pressures.

At a personal level, Mr. Gandhi has kept influence-peddlers and wheeler-dealers at a distance, but he has not displayed the same firmness of purpose in curbing political corruption and misuse of official patronage. In the aftermath of his landslide victory, he could do no wrong nor make any false move in the eyes of his admirers during the first year of his rule. But, as always happens in politics, the dizzy moments of high climax are followed by abrupt, disquieting spells of anti-climax in democratic societies exposed to mercurial changes in the moods of the people.

**Learning the hard way:** What is important in this context is that the young Prime Minister, who is conscious of the limitations of the change-resistant Indian system, is responding in his own way to the realities of the country's political scene. His advisers also are no longer behaving as repositories of all wisdom, since they too are beginning to learn the hard way, through trial and error, paying more attention to party opinion.



21 April 1986

## INDIA

## RAO SPEAKS AT OPENING OF CPI 13TH PARTY CONGRESS

New Delhi PATRIOT in English 13 Mar 86 p 1

[Text] **Patna, March 12 (UNI)**—The thirteenth congress of the Communist Party of India began here today with a call by party general secretary C Rajeswara Rao to intensify mass agitation against the Centre's "disastrous economic policies".

In his inaugural address, Mr Rao, however, supported the Government's foreign policy, but criticised its economic policies, including the recent price hike of essential commodities.

Mr Rao criticised the "narrow and partisan" attitude of the CPI-M, which, he said, had proved a setback to the process of growing Left unity and developing fraternal relations between the two parties.

He noted that since the 12th congress of the party at Varanasi four years ago, the country was facing crisis in the shape of communal, and separatist forces raising their 'ugly heads'. This has resulted in endangering the integrity and unity of the country.

He said the situation had been aggravated because of adoption of "disastrous economic policies" of the Government such as denigration of the public sector, allowing monopolists to enter the core sectors, attempts at privatisation of some public sector concerns, opening the door to transnationals in the name of getting

new technology and indiscriminate computerisation.

Mr Rao said the Government's policy of tax concessions to monopolists and increase in prices of essential commodities was leading to the acute problems of unemployment, inflation, poverty and eroding the country's self-reliance.

The country's economy would have faced many more difficulties but for the economic and technological cooperation with the Soviet Union and other socialist countries, he said.

He alleged that the CPI-M leadership were opposed to the ideas of enhancing and raising Left unity because of its "sectarian attitude" to dominate.

Presiding over the inaugural session national council secretary N K Krishnan said that the present situation demanded a resolute struggle against the imperialistic conspiracy for destabilising the country.

He, however, praised the Indian stand in the global struggle against the imperialistic forces and colonialism. He said that the party Congress would discuss ways and means of widening and deepening this struggle in the country and uniting all peace-loving and anti-imperialist forces for this purpose.

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CSO: 4600/1557

INDIA

CPI-M LEADER NAMBOODIRIPAD TALKS TO PRESS

Calcutta THE TELEGRAPH in English 12 Mar 86 p 4

[Text]

Trivandrum, March 11 (PTI): The CPI(M) general secretary, Mr E. M. S. Namboodiripad, today admitted that there was no alternative to the Congress(I) in the country at present. It was up to the people to take the lead for building up such an alternative, he told newsmen at a press conference here.

Mr Namboodiripad said the consensus arrived at Opposition conclaves two years back could be the basis for discussions on building up a viable alternative to the Congress(I) though there were differences among several Opposition parties on vital issues. Any alternative formed without linking the economic problems of the people would not be viable, he added.

Mr Namboodiripad said the Congress(I), which had lost its hold on several states, had been reduced to a regional party and the infighting at all levels might finally lead to the party's disintegration.

Admitting that there had not been much progress in Opposition efforts after the 1983 Calcutta conclave, he said the recent anti-price hike agitation, in which all non-Congress (I) parties participated, was a significant development.

Referring to the CPI call for unification of the two communist parties, he said this was not possible till they were able to reach an understanding on the reasons for the 1964 split. Instead of demanding an "immediate merger or unification," the CPI should try to extend the areas of cooperation, he added.

Mr Namboodiripad said one of the irritants in the relations between the two communist par-

ties was the CPI's attitude towards the N. T. Rama Rao government in Andhra Pradesh. For the same reason his party had rejected the CPI request for support to its candidate, Mr Rajasekhara Reddy, in the coming Rajya Sabha elections from Andhra Pradesh.

Referring to action by the CPI(M) against some of its top leaders in Kerala, he said the fight against revisionism and sectarianism was a continuing process in the international communist movement.

**Distillery case:** Mr Namboodiripad said it would be better for the Kerala chief minister, Mr K. Karunakaran, to resign in view of the high court notice to him in the distillery case. He said Mr Karunakaran should resign before "fouling up his party further."

**Divorce Bill:** Mr Namboodiripad said if the Muslim Women (Protection of Rights on Divorce) Bill was passed by Parliament, the state exchequer would have to spend crores of rupees annually on the maintenance of divorced Muslim women.

He told newsmen here that the Waqf Board was reported to have asked the Centre to allot Rs 50 crores for this purpose and the demand would increase further.

It was strange that the Prime Minister, Mr Rajiv Gandhi, and his party wanted to spend public money on the maintenance of Muslim women abandoned by their husbands, he said, adding that this would only give such people a free hand to divorce their wives as and when they liked.

INDIA

GDR PARTY DELEGATION MEETS WITH ARGUN SINGH

New Delhi PATRIOT in English 13 Mar 86 p 5

[Text]

The party delegation which is at present visiting India, led by the alternate member of the politburo of the central committee of the Socialist Unity Party of Germany (SED) and first secretary of the Karl-Marx-Stadt SED County Council, Siegfried Lorenz, was received by Congress vice-president Arjun Singh for a friendly talk on Tuesday.

Mr Lorenz conveyed greetings from the general secretary of the central committee of the SED and chairman of the state council of the German Democratic Republic Erich Honecker to Congress president and Prime Minister Rajiv Gandhi.

During their discussion held in an atmosphere of cordiality both politicians expressed agreement on the fact that at present there is nothing of greater importance

than to avoid a nuclear holocaust.

Mr Lorenz informed Mr Singh about the commitment of the SED to strive actively for peace, disarmament and detente in Europe and he gave an impression on the preparations the party and the people of the Republic are making in view of the forthcoming XIth SED congress.

Mr Singh expressed India's high esteem for the support the GDR is rendering to the initiatives which the six signatory states of the Delhi Declaration are undertaking to safeguard world peace.

Mr Lorenz and Mr Singh declared their readiness to do all in their power to consolidate and deepen the traditional good and trustful relations between the two states and peoples in the interest of peace.

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CSO: 4600/1557

INDIA

## AREAS FOR COOPERATION WITH JAPAN EXAMINED

Madras THE HINDU in English 11 Mar 86 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, March 10.

A former Foreign Minister of Japan, Dr. Saburo Okita, is leading his country's delegation to the three-day seminar which opened in Delhi today on "Indo-Japanese perceptions and perspectives on the eve of the 21st century" to identify the areas for increased co-operation.

The Prime Ministers of India and Japan had agreed, during Mr. Rajiv Gandhi's visit to Tokyo at the end of November last, to promote the idea of such meetings between intellectuals and experts of the two countries for exchanging views on both international developments and bilateral prospects for better political understanding and economic collaboration.

The Japanese Prime Minister, Mr. Yasuhiro Nakasone, has asked Dr. Okita to call on Mr. Gandhi and the External Affairs Minister, Mr. B. R. Bhagat during his stay in Delhi to explain the Japanese approach to various international economic issues which would be discussed at the forthcoming summit in Tokyo of the Western industrialised nations.

The subjects being dealt with at the seminar include the foreign policies and security perceptions of the two countries, international monetary, trade and aid issues, problems of capital inflows and foreign exchange regulations, prospects for increased Indo-Japanese economic

collaboration including transfer of technology, the marketing problems in India and Japan, and the communications revolution.

Mr. B. R. Bhagat, who inaugurated the seminar today, said that India was looking forward to a new era of more diversified bilateral relations with Japan in the political, economic, technological, social and cultural spheres. As an economic giant, Japan should play a more active role in assisting the countries of Asia and Africa in their development.

A parallel seminar was held recently in Tokyo to prepare the ground and carry forward this Indo-Japanese dialogue at the level of experts working in Government departments and non-official organisations.

The 44-member Indian team in this seminar include Dr. Manmohan Singh, Deputy Chairman of the Planning Commission, Dr. Sukhamoy Chakravarty, Chairman of the Council of Economic Advisers, Prof. M. G. K. Menon, Member of the Planning Commission and Scientific Adviser to the Prime Minister, Mr. Abid Hussain, former Commerce Secretary and now a Member of the Planning Commission, Mr. M. K. Rasgotra, former Foreign Secretary, Mr. A. P. Venkateswaran, Foreign Secretary-designate, Mr. Badruddin Tyabji, former Indian Ambassador to Japan, and Prof. Yashpal, Chairman of the University Grants Commission.

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CSO: 4600/1560

INDIA

PAPERS REPORT TROUBLES ON BANGLADESH BORDER

Indian Nationals Kidnaped

Calcutta THE STATESMAN in English 5 Mar 86 p 9

[Text] Agartala, March 4--Tension continues to prevail on the 20-km border between Bhagabantilla and Suknacherri on Tripura's eastern boundary with Bangladesh, following repeated refusal of local Bangladesh Rifles commandos to arrange a flag meeting with their BSF counterparts to sort out the kidnapping of four Indian nationals on February 2, reports PTI.

Official sources here said that the BSF officials had been seeking to arrange a flag meeting with their BDR counterparts ever since counterinsurgency commandos of the 16th Bangladesh Army battalions raided Chandrahaspara village, 1.5 km inside the Indian territory on February 26. They kidnapped four Chakmas of Indian nationality after firing over 30 rounds and beating up several local villagers.

The BSF officials have already protested strongly to their BDR counterparts about "such gross violation of international boundaries" which, they said, was "unprecedented".

A correspondent, who toured the Bhagabantilla area and Chandrahaspara village on Sunday last, found forward deployment of both BSE and BDR units on the remote, thickly-wooded mountainous terrain.

The local village chief, Mr Kripalal Chakma, said that the Bangladesh Army commandos, armed with sten-guns and Chinese rifles, rounded up Dipon Chakma, Tarun Chakma, Anik Chakma and Sritimoy Chakma and carried them away. They searched for one Utpal Chakma and fired on villagers when they were fleeing.

Mr Kripalal Chakma said the Bangladesh Army BDR units were involved in massive counterinsurgency operation just opposite the Bhagabantilla area in an attempt to arrest Shanti Vahini guerrillas.



### Tripura Border Alert

Calcutta THE TELEGRAPH in English 7 Mar 86 p 5

[Text]

Agartala, March 6 (PTI): BSF personnel, guarding Tripura's eastern border with Bangladesh, have been put on "red alert" in view of reports about possibility of large-scale influx of tribal refugees to the state to escape the fury of combing operations by Bangladesh Army.

Officials told PTI here today that few tribal families have already crossed over in the Silacherri-Sukanacherri Bhagabantilla area in South Tripura following massive regrouping operations by Bangladesh counter-insurgency troops.

The operations, launched on the pattern of "strategic ham-

lets" created by the US in Vietnam, were aimed at shifting entire villages, inhabited by the tribals on Indo-Bangladesh border, into "concentrated Army regrouping centres" to cut off "popular support to guerrillas."

The officials said that the Bangladesh Army and paramilitary units had stepped up regrouping operations after "Santi Bahini" guerrillas, fighting a decade-old "protracted war" to liberate Chittagong hill tracts from Bangladesh, struck six different locations in the area since late January this year, rolling 28 persons, including five securitymen, and injuring several others.

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CSO: 4600/1539

INDIA

## PAPER REPORTS ON PROBLEMS WITH SRI LANKA

### Warning Against Foreign Involvement

Madras THE HINDU in English 10 Mar 86 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, March 9.

The Government of India is taking a serious view of the developments in Sri Lanka where, it is feared, the ethnic issue might get further complicated through an intensification of military operations against the Tamil militants, before anything more can be done to bring about a resumption of negotiations.

Relations between the two Governments, which have soured following the latest exchange of sharply-worded notes, are bound to be strained by reliable reports reaching Delhi that the Sri Lankan helicopter gunships engaged in so-called anti-insurgency operations are manned by foreign pilots.

**Strong disapproval:** The Government of India has taken up this matter with the country concerned and made known its strong disapproval through diplomatic channels in no uncertain terms. It has also cautioned the Sri Lankan authorities against this totally uncalled for foreign involvement in what is essentially an internal problem.

According to latest estimates, there are not more than 2,000 to 3,000 militants operating in the northern and eastern provinces. The strength of the Sri Lankan security forces, including police and home guards, engaged in this area has trebled in the last one year, from 5,000 to 15,000 men.

The Israeli intelligence officers and retired British SAS personnel who have been training a number of commando units are either directly participating or actively assisting in launching all-out ground attacks followed by bombing raids on alleged hide-outs of the militants and the villages suspected to be sheltering them.

**Attempt to change demographic character:** Apart from killing nearly 1,200 innocent civilians, the Sri Lankan security forces have destroyed 100 villages and compelled several

thousand Tamils to flee their homes in the Eastern Province during these punitive operations, in complete violation of the ceasefire. The obvious intention is to alter the demographic character of several sensitive areas, especially in the Eastern Province, and destroy once for all any basis for its merger with the Northern Province even at a later stage.

The Sri Lankan Government has also been importing large quantities of arms during the last few months for its Army expansion programme. The Ministry of National Security intends to double the over-all strength of the Army, Navy and Air Force during this year, besides expanding the police and also arming a large number of local Sinhala thugs under the guise of home guards to intimidate the Tamil population.

The Prime Minister, Mr. Rajiv Gandhi, had all these disquieting developments in mind when he decided to convey his anxiety to the Sri Lankan President, Mr. J. R. Jayewardene, about the worsening situation. He has held several meetings with his advisers to assess these developments in the course of the last 10 days and see what could be done to avert further bloodshed followed by a hardening of attitudes.

**Grave concern:** It was against this background that the Indian High Commissioner, Mr. J. N. Dixit, who returned to Colombo yesterday after consultations in Delhi, was instructed to call on Mr. Jayewardene and convey the Prime Minister's grave concern at the deteriorating situation.

Though its good offices are still open, the Government of India does not propose to take any fresh initiative to bring about a resumption of a dialogue until the senseless killings are ended and the Sri Lanka President comes forward with some credible assurances that he is genuinely keen on a negotiated political settlement.

## Tamil Killings Detailed

Madras THE HINDU in English 11 Mar 86 p 1

[Text]

MADRAS, March 10.

The Tamil United Liberation Front (TULF) has sent a document to the Prime Minister, Mr. Rajiv Gandhi, listing all the known incidents of violence against the Tamils in Sri Lanka from May 1, 1985, to February 28, 1986, during which period, according to TULF, about 2,000 Tamils were killed by the security forces.

Giving this information to THE HINDU here today, the TULF secretary-general, Mr. A. Amirthalingam, said that when he and other politburo members of the party met Mr. Gandhi last time, they had told him that the toll was about 2,000 till then and that Mr. Gandhi wanted the particulars. Hence the follow-up document.

It also says that about 10,000 houses belonging to the Tamils have been destroyed by the Sri Lankan armed forces in the Northern and Eastern provinces of the island nation.

Mr. Amirthalingam said TULF was preparing another document on the killings of Tamils in the island from April, 1984 to April, 1985, a copy of which would be sent to the Government of India.

The TULF secretary-general met on Saturday the Tamil Nadu Electricity Minister, Mr. S. Ramachandran who recently held discussions in Delhi with the Prime Minister and the Foreign Secretary, Mr. Romesh Bhandari on the ethnic issue.

The representatives of the ENLF constituent—TELO, EROS, ERPLF and LTTE—called on Mr. Ramachandran on Sunday, who briefed them on his discussions with Mr. Gandhi and Mr. Bhandari.

**Renewed Sinhala colonisations:** An ENLF spokesman said that its representatives apprised the Minister on the worsening situation in the Tamil-majority areas in Northern and Eastern Sri Lanka, including the aerial attacks on the civilian population in the North and the tension in the plantation areas. They also informed him of the recent arrest of many Tamils in the age group 13 to 40 in East, eviction of farmers from their lands there and the renewed efforts at Sinhala colonisation of these areas, leading to a drastic change in the demographic pattern.

## India should give ultimatum to Colombo, says DMK chief

From Our Staff Reporter

TIRUCHI, March 10.

The DMK president, Mr. M. Karunanidhi, has urged the Prime Minister, Mr. Rajiv Gandhi, to mobilise world opinion against the genocide of innocent Sri Lanka Tamils and work for global

sanctions against the island nation.

Talking to newsmen here today, Mr. Karunanidhi, who is also the president of the Tamil Eelam Supporters Organisation (TESO), said India's present "peace approach" would not succeed and a tough posture was imperative to make Sri Lanka behave.

Answering questions in the light of today's editorial in THE HINDU titled, "Sri Lanka—India must rethink policy", Mr. Karunanidhi referred to the latest TESO evaluation that Mr. Gandhi's efforts to resolve the ethnic issue had so far been a "total failure". Asked what would he want India to do, the DMK leader said New Delhi should give an ultimatum to Colombo that unless it agreed to an unconditional ceasefire, there was no room for further talks. Also, India should at once snap all its diplomatic and economic ties with Sri Lanka and withdraw its Ambassador there.

**'A few days' time:** TESO, he said, would give a few days to Mr. Rajiv Gandhi to rethink his policy in the light of these suggestions and "we will hopefully wait for new strategies". Hastening to emphasise that TESO would wait only for a "few days", Mr. Karunanidhi said it would meet after that to take stock of the situation.

Whose approach to the Sri Lanka problem was better and correct, a newsman asked. "Ammu (Mrs. Indira Gandhi) has certainly handled the Sri Lanka issue better and in a far cleverer way than the son (Mr. Rajiv Gandhi)" was the unanimous verdict the Tamils in Sri Lanka had expressed to Mr. Nedumaran during the latter's tour of Sri Lanka, Mr. Karunanidhi said.

**Threat of agitation:**

Our Thanjavur Staff Reporter writes:

The DMK will be forced to intensify its efforts, including resort to agitations, after a fortnight's time to persuade the Centre to take a bold stand against the atrocities committed against the Sri Lankan Tamils, Mr. Karunanidhi said here last night. He was addressing a public meeting to thank voters who had returned the DMK in a big way in the recent civic elections in Tamil Nadu.

Mr. Karunanidhi said Colombo had intensified its repression of the Tamils by resorting not only to shooting or indiscriminate arrests but also employing its Air Force to bombard Tamils area. Indira Gandhi had declared even two years ago that what was happening in Sri Lanka was genocide but Mr. Rajiv Gandhi was giving only evasive replies. Various international observers and important personalities had expressed horror at the happenings on the island and it was most unfortunate that the Prime Minister was not taking "due interest" to solve the issue, he added.

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CSO: 4600/1560

INDIA

## EVICTED NEPALIS FLEE TO WEST BENGAL FROM MEGHALAYA

Calcutta THE TELEGRAPH in English 9 Mar 86 p 4

[Article by Aniruddha Mookerjee]

[Text] **Guwahati, March 8:** Thousands of Nepalis are fleeing across the Assam-West Bengal border towards Siliguri after being evicted by the Meghalaya government for not having restricted area permits.

According to the police, more than 4000 people, including women and children, have been affected and the Assam Police is escorting them to the West Bengal border where they are being left to find their way back to Nepal. The West Bengal chief minister, Mr Jyoti Basu, has already been informed of this exodus by the Gorkha Sammelan here.

The director-general of the Assam Police, Mr T.A. Subramaniam, told this correspondent that more than seven truckloads of Nepalis have been picked up and left to fend for themselves at the West Bengal border.

Amrita Chetri sat quietly in a dirty corner of the Nepali Mandir here while her three children played on the floor. She came here yesterday with her husband, Man Bahadur Chetri, who works as a coal miner in the Jaintia Hills.

Man Bahadur told this correspondent: "Last Saturday, after I had come back from work and was having my meals, some policemen and Khasi youths came and told us that we were foreigners and if we did not leave Meghalaya by March 10, we would be thrown out of the area. Do not try to hide in the collieries or we will use police dogs to drive you out, they threatened."

He added: "We are seasonal workers brought by dalals (agents) who come to our villages to recruit labour, claiming that they have restricted area permits. We are brought here in batches, made to work for a stipulated period and then sent back to Nepal. Many of us have been staying here since the early Sixties and our children too were born here. They have even harassed us before. Why are they doing so now?"

The office secretary of the Gorkha Sammelan, Mr Arun Bhatta Ray, said: "This is the fallout of the recent agitation started by the All-Meghalaya Students' Union asking the government to drive out foreigners." Nearly 80 per cent of the labourers working in coal mines here are Nepalis.

Dal Bahadur Chetri, a coal breaker in the mines, said: "On Monday, when we decided that we would not leave this place and kept on staying in the tents provided to us by the contractors, some local residents came and burnt our camps. Fourteen of us fled in a truck to Shillong from where we came to Guwahati. We have not been paid and the contractors have taken this opportunity to say that since we are foreigners, we need not be paid."

The exodus which started on Tuesday resulted in the stations and bus terminuses in Guwahati being flooded with Nepalis. The Assam government did not realise this till it suddenly found truckloads of Nepalis disembarking near the Assam-

Meghalaya border on the Guwahati-Shillong road.

A senior Assam police official said: "The Meghalaya government did not even inform us. It was only after we found them that the home department decided that they would be pushed to the West Bengal border from where they could find their way back home. We are now simply escorting them to the West Bengal border."

Mr Bhatta Ray alleged: "The Meghalaya Police even picked up husbands without their wives or children and brought them here." He pointed to Krishna Bahadur Pradhan who had gone to a market near the colliery, where he works and got picked

up by the police who took him to Guwahati. "I told them that I wanted to take my wife and children, but they did not listen to me. I wonder what their fate is," Pradhan lamented.

"Another woman," Pradhan continued, "delivered her child in a truck. They simply took her to the hospital and then deported her. Even those Nepalis who have Khasi wives have been separated from their spouses and taken away."

The local Gorkha Sammelan has sent memoranda to the Prime Minister, Mr Rajiv Gandhi, and the Assam governor, Mr Bhishma Narain Singh. It has condemned the action, demanded an immediate inquiry,

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CSO: 4600/1545



21 April 1986

## INDIA

## BRIEFS

ANTARCTIC TREATY MEMBERSHIP--India has been admitted as a consultative party to the Antarctic Treaty and as a full member of scientific committee on Antarctic research, Prime Minister Rajiv Gandhi told the Lok Sabha on Wednesday, reports PTI. India's accomplishments in Antarctica have been acknowledged and appreciated by all the Antarctic treaty countries. Mr Gandhi told Mrs T. Kalpana Devi in a written reply. Information obtained by India in the field of meteorology, biology, geophysics and oceanography is being exchanged with other countries, he added. The Prime Minister replied in the negative to a question whether the last expedition had "polluted the area on leaving". The Prime Minister said the major objectives of the Antarctic expeditions have been to set up a base for operation in Antarctica and provide infrastructure for scientific research. Infrastructure facilities include living accommodation, laboratory facilities and communication links. [Text] [New Delhi PATRIOT in English 12 Mar 86 p 5] /12851

NEW KAMPUCHEAN ENVOY--The new ambassador of Kampuchea, Mr Sok An, presented his credentials to President Giani Zail Singh at Rashtrapati Bhavan on Thursday, reports UNI. [Text] [New Delhi PATRIOT in English 7 Mar 86 p 5] /12851

COS: 4600/1558

IRAN

TEHRAN COMMENTS ON PAST YEAR OF WAR

GF261257 Tehran Domestic Service in Persian 0430 GMT 26 Mar 86

[Commentary by the Research Group of the Central News Unit: "The Year of Resistance and the Year of Victory"]

[Excerpts] The latest reports published during the first days of the new year [beginning on 21 March], which the spokesman of the Supreme Defense Council quoting Islamic soldiers has called "the year of victory," indicate new victories in the Val-Fajr-8 area of operations.

According to statements issued by the Khatam ol-Anbiya' Joint Operational Headquarters, the army of unity, to give congratulations on the birth of Imam 'Ali--peace be unto him and his family--and to destroy the enemy troops even further, has engaged in heavy clashes over the past few days, destroying the 704th Independent Infantry Brigade of the Iraqi Armed Forces. They have succeeded, in the Al-Faw-Basra area, in completely surrounding the 28th Infantry Brigade of the 8th Division of Saddam's army.

The late months of the previous year of resistance passed under circumstances when the Iraqi regime tried to weaken the morale of our people by bombing residential areas and thereby attempted to impose a compromise on our Islamic homeland. However, this plot, which was carried out in two phases, was foiled by the firm missile-retaliation of the Islamic Republic and the amazing and widespread presence of the people [in support of the war] during the Jerusalem Day demonstrations.

Sometime after this, the Arab reactionary supporters of Saddam and the aggressor powers backing him, thinking that if Iran was denied its oil resources it would be unable to continue the war, placed in the work-order of the Saddamists, aerial bombardment of Khark Island, the main terminal for our country's oil exports. As a result of this, over a period of about 1 month, they carried out dozens of air raids against Khark Island and its oil installations.

It is interesting to note that despite announcements by respected oil circles which indicate continued oil exports from our country under those circumstances, the Iraqi regime, in its military communiques, continued to claim the destruction of Khark Island.

In any case, the Islamic Republic of Iran, in connection with these attacks, tried to control the flames of the war so that it would not spread to the other Persian Gulf countries. Therefore, as the Iraqi economic installations were crushed in retaliatory actions, our country, through its night-and-day efforts, prevented the creation of such circumstances that would cut off the entire oil supply from the Persian Gulf area because of mischief by the Iraqi regime. Despite this, Islamic Iran continued to warn the Persian Gulf countries that if they do not halt the Iraqi mischief, and if the Iranian oil exports get cut off altogether, it would be made to occur that other countries in the region would also not be able to export their oil.

By rendering this plot futile, over the past year, the heroic people of our country have received the bonus for their resistance and all of the political, economic, and military pressures of the world aggressors to impose a compromise, were foiled.

On the political front, for the first time, the UN Security Council clearly condemned Iraq for continued and widespread use of chemical weapons, which, in turn, was important as a first step toward regaining the weakened rights of the Islamic Republic and the world's condemnation of the aggressor. Many of the world's circles, thereafter, condemned the Saddam regime.

Taking a general look at the events of the past year, one can understand that while the enemies of the Islamic Republic made their utmost efforts to bring a compromise on us, the heroic resistance of the people brought about the major results of the imposed war over the past year.

Without a doubt, to achieve such a great victory, our people paid a high price, which is naturally necessary to achieve any kind of victory. In continuing this resistance, even though the world aggressors suddenly dropped the price of oil and thereby attempted to create some difficulties for us, the experiences of the Islamic revolution and the high and hopeful spirits of our people show that this plot will not reach its desired goal.

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CSO: 4640/242

IRAN

FADHLALLAH: SOLUTION TO LEBANESE CRISIS CANNOT EXCLUDE PLO

Tehran KEYHAN in Persian 1 Feb 86 p 24

[Interview with Husayn Fadhlallah, date and place not specified]

[Text] Husayn Fadhlallah, a prominent Lebanese clergyman, is the fourth guest at the Islamic Thought Conference during the 10-day Fajr observances. He gave an exclusive interview to KEYHAN in which he expressed the views given below.

KEYHAN Political Service: What is your view of Islamic conferences such as the Islamic Thought Conference?

[Answer]: The primary value of such conferences is that they bring the Muslims of the world closer to one another, allowing them to gain greater familiarity with each other's circumstances and compare notes on experiences.

Secondly, this conferences raises new issues and problems and persuades Muslim intellectuals to deal with them. Thirdly, thinkers in other Muslim countries can apply these experiences in the practical circumstances of their countries, or attempt to do so.

Fourth, intellectuals of various countries will understand the falseness of the propaganda of the enemies of Islam concerning the Islamic republic. Moreover, they will benefit from the steps the Islamic republic has taken for the welfare and happiness of its own and other Muslim nations.

KEYHAN: What is the responsibility of the Muslim clergy under current world conditions?

[Answer] The responsibility of the Muslim clergy and intelligentsia under present circumstances is to manifest authentic Islamic thought and to plan for raising an Islamic movement within the framework of Islamic concepts and to work against counterrevolutionary thinking in order to preserve the power of Islam.

KEYHAN: You are a political insider in Lebanon. What is your assessment of recent political and military events in Lebanon?

[Answer]: Lebanon is still the arena of conflict for regional struggles such as struggles of the Arabs, Israel, struggles of the superpowers, and domestic struggles between the Christians and Muslims.

The issue of Lebanon is connected to the issue of Palestine, as well as with the matter of confronting the superpowers and how to end the Palestine problem. On this basis, efforts have been made to find a peaceful solution to the Lebanese crisis. These efforts have been made under the supervision of Syria, which has closer ties to Lebanon, but this solution has met with retaliatory measures from Israel and America.

These two countries were planning to upset the tri-lateral agreement in response to the defeat of the 17 May agreement, implemented under their supervision. They therefore created problems and difficulties in the Christian sector, and consequently, as a response to Israeli and American instigation, some Christians in the Lebanese Forces, the Phalangists, the National Liberal Party and the Order of Maronite Monks took positions against the tri-lateral agreement, feeling that some articles in this agreement are not in accord with the Christian strategy upon which Lebanon was founded. For this reason, movements began within the Lebanese Forces and the general situation in Lebanon became critical. Lebanon is presently the scene of a reciprocal pressure between Syria and those who wish to implement this agreement, and America and Israel, who wish to defeat it unless it can be partially allocated to Israel. Lebanon is therefore the wellspring of difficulties and explosive situations, and therefore the future will show the course of changes and developments.

KEYHAN: It is said that prominent Muslim leaders are not playing the political roles and taking the necessary positions on recent developments and changes, especially the tri-lateral agreement and its changes. What is your view?

[Answer]: In reality, both in the newspapers and on the radio, the upshot of published materials on Lebanon has been the opposition we have raised against the tri-lateral agreement. From the very beginning we have strongly expressed our opposition to the tri-lateral agreement. The partisans of God and believing Muslims have expressed their opposition in various ways, so that when the Christians and the Muslims of the Muslim opposition discuss the tri-lateral agreement, they mention me and the Partisans of God; moreover, when Amin Gemayel or Hafez Asad discuss opposition to the tri-lateral agreement, they mention me and the Partisans of God. This demonstrates that we have not been silent in the face of these changes, and have taken appropriate positions on the issues.

KEYHAN: Do you accept the theory that a solution to the Lebanese crisis can only be had in the context of a solution to the Middle East Crisis?

[Answer]: This is 100 percent correct, because the Lebanese crisis is not borne of domestic factors. The Lebanese crisis began in 1975 when Secretary of State Kissinger presented the American plan. The aim of this plan was to establish security, defense, and political measures to isolate Palestinian resistance and ultimately to expel it from Lebanon. America's current role is



therefore based on applying pressure against Arab countries, especially Syria, and against all anti-Israeli movements in Lebanon. Therefore, the Lebanese question cannot be separated from the Palestine crisis, and any solution attempting to do so is bound to fail.

Therefore, as long as the Israelis continue their policy of intervention in Lebanon, the Palestine question cannot be solved, especially since the Palestinians are present in Lebanon with all their organizations, and are still considered a factor in political and military movements. Therefore, in view of the above, one cannot separate the Lebanese crisis from the Palestinian crisis.

KEYHAN: What is your view concerning the boycott of Lebanese President Amin Gemayel by Lebanese leaders?

Naturally we are more interested in isolating him, because we think that sanctions and boycotts have been experienced repeatedly in the past by Muslims. The Muslims placed an embargo on the Phalangists, but achieved no particular result. Therefore, boycotts in Lebanon are not fruitful. Even now, when Amin Gemayel has been isolated, we see that he is still president and still enjoys a prominent position among the majority of Christians. I therefore think that a boycott of the Lebanese president is mainly to apply pressure, without producing a result. The aim of the boycotters is to bring about changes in the Lebanese situation in order to extract more concessions from the president.

KEYHAN: What are the fundamentals and parameters for the continuation and stabilization of Islamic resistance in southern Lebanon?

[Answer]: Naturally the primary basis for continued resistance is maintaining the vitality of the Islamic spirit among Muslim combatants. In addition, political, popular, and material support for resistance is seen as another dimension of the continuation of this resistance, because Islamic resistance is a holy crusade, needing support from the people and a suitable political atmosphere. Therefore, as long as political pressure against Islamic resistance continues, and as long as pressure on the people continues to increase, the capability of Islamic resistance will decrease, and we hope this does not happen.

9310

CSO:4640/221

21 April 1986

## IRAN

## MAJLIS BEGINS EXAMINATION OF 1986 BUDGET

Tehran KEYHAN in Persian 17 Feb 86 pp 1-2

[Text] KEYHAN political service. The open session of the Majlis, chaired by Hojjat ol-Eslam Mohammad Yazdi, the deputy speaker of the Majlis, was held this morning.

In this meeting, after recitations from the Koran, the reminders of the representatives of the Majlis were put on the agenda and the 1365 [21 March 1986-20 March 1987] national budget was discussed.

First, Dari-Najafabadi, the spokesman of the plan and budget committee, provided explanations concerning the '65 [1986-87] budget bill and said: The bill on the 1986-87 national budget, which was referred to the plan and budget committee as the main committee, was studied during 80 sessions from 12/9/64 to 7/11/64 [3 December 1985-27 January 1986] in the presence of the ministers, deputy ministers and concerned experts and was ratified with some changes based mainly on a few principles:

1. More realistically assessing the revenues and avoiding exaggeration in regards to revenues by evaluating the existing facts, past performance and future potential, considering the various domestic and foreign resources of the country.
2. Prevention of the rapid increase of the current budget, which swiftly consumes the oil, tax and other revenues of the country and does not leave any financial capacity for developmental activities.
3. Harnessing developmental projects (as were devised in this year's budget) and at the same time placing relative priority on and ultimately giving direction to the developmental budget, within our capabilities.
4. Making certain expenditures correspond with the acquisition of revenues in order to make the revenues more realistic and decrease the pressure of expenditures on the government general budget.

5. Observing the views of the honorable council of guardians to conserve the time of the committee and the honorable Majlis.

Now, the 1365 [21 March 1986-20 March 1987] national budget bill, with 36 notes and a few amendments, is presented to the Majlis.

Single article. The 1365 [1986-87] national budget in terms of revenues and other sources of funds amounts to 7,328,723,544,000 rials, and in terms of expenditures and other payments amounts to 7,328,723,544,000 rials.

A. The general government budget in 1365 [1986-87] is ratified as follows in terms of revenues and other sources of funds and in terms of expenditures and other payments, amounting to 4,022,353,015,000 rials.

1. General revenues and other sources of funds amount to 3,753,655,950,000 rials and expenditures and other payments amount to 3,753,655,950,000 rials.

2. Special revenues of the ministries and government organizations amount to 268,697,065,000 rials and the expenditures and other payments from the funds amount to 268,697,065,000 rials. The government is granted permission to collect the revenues and other funds mentioned in the third part of this law during 1365 [1986-87] and to pay the expenditures of the ministries and government establishments as well as the aid and other funds which have been included in the charts of the fourth, fifth, and sixth parts and Addendum No 1 of this law, within the limits of the collection of revenues and other sources of funds in the 1986-87 year, and on the basis of the allocation of committed funds, provided the related laws and regulations of the notes of this law are observed.

B. The budget of government companies and profit-making establishments affiliated with the government mentioned in Part 8 of this law, except for that part of their developmental funds (fixed investments) which is procured from general revenues, can be implemented in accordance with the related laws, regulations and bylaws.

The budget of that group of six government affiliated profit-making establishments, which will become profit-making government establishments in 1365 [1986-87], can be implemented for the remainder of the year upon the approval of the Cabinet.

The spokesman of the plan and budget committee then explained the level of the projected expenditures and revenues of the government in 1365 [1986-87] and said: In the area of revenues, for the most part, we have dealt with realistic revenues and made an effort to have those revenues materialize.

He added: One of our essential revenues in the course of the past several years has been oil revenues.

In the current year, 1,600 billion rials in oil revenues have been included in the government budget. In a separate note, 25 billion rials have also been included as the expenditures for the Ministry of Petroleum. If we also

include this note, the total amounts to 1,625 billion rials. In the committees, after examining all aspects, we were unable to decide about more than 1,300-1,400 billion rials in regards to oil revenues. Our decisions have not taken into consideration the events that have taken place in the past month regarding the world price of oil, which might have begun a new chapter in connection with our country, about which the representatives and the government must make more serious and decisive decisions. Our estimate of the oil, [reduced because of] the events that have been created in connection with the decrease in the price of oil on the global scene, did not correspond with the figure that the honorable government had in its bill. A very optimistic estimate of the price of oil, the sale of oil, and the oil export resources translated into rials and dollars would be: If we have 1,700,000 barrels per day in oil exports, which is our OPEC production quota, in the course of 360 days (one year) [as published], and calculate the price between \$25-\$27 and then calculate the dollar according to the (S.D.R.), between 85 or 90 to 92 or 93 rials, we would have 1,400 billion rials in oil revenues in the '65 [1986-87] budget bill. Even with these calculations, we could not reach the figure (1,600 billion rials) that the respected government had in the budget bill.

Past performance has shown that if we were to calculate according to the conditions prior to the recent conspiracy, we would come to no more than 1,300-1,400 billion rials.

Dari-Najafabadi added: Our oil revenues this past year were 1,282.3 billion rials, whereas 1,800 billion rials had been ratified. There is a difference of 520 billion rials between the ratified figure and the actual figure.

In this year's budget, also 1,600 billion rials were stated as oil revenues. Unfortunately, when those events happened inside the Majlis and many expenditures increased under various pretexts--for example, "roads" were added to and the migrants' foundation was added to--in order to make up for the difference which appeared when revenues decreased and expenditures increased, we had to return to the ceiling of the budget that the government had given as well as the ceiling of the oil revenues that the government had given, in other words, the 1,600 billion rials in oil revenues. The plan and budget committee returned to the figure of 1,867 billion rials that the government had approved. In practice, what has happened this year and what is at issue now in terms of the decrease in the price of oil and the sale of oil, these oil price fluctuations aside--because these price fluctuations will have their effects in '65 [1986-87], not in '64 [21 March 1985-20 March 1986], for the price of oil is always received two months later--is that in this year, a maximum of 1,160 or 1,200 billion rials will be collected by the treasury in oil revenues.

And the difference between 1,860 billion rials and 1,160 or 1,200 billion rials is very great. Obviously, our not being able to make up for these differences will also affect the expenditures of the country and the government's hands will be tied in regards to spending in the area of developmental and current work.

The average oil revenues of '63 [21 March 1984-20 March 1985] and '64 [21 March 1985-20 March 1986] were no more than 1,200 or 1,250 billion rials.

In 1362 [21 March 1983-20 March 1984], our oil revenues were very good and we had a total of 1,585 billion rials in oil revenues. That is, even in that year, it did not reach 1,600 billion rials.

Therefore, if we want to properly calculate oil revenues, the fluctuations aside, 1,360-1,400 billion rials would still be optimistic. We hope the honorable Majlis or the honorable government will examine these fluctuations quickly, or, God forbid, the situation will return to its previous state.

#### Tax Revenues

Explaining the tax revenues in the '65 [1986-87] budget bill, the spokesman of the plan and budget committee said: In the budget bill, 1,169.8 billion rials in tax revenues were projected, which was changed to 1,195.8 billion rials in the plan and budget committee. In other words, in the committee, the tax revenues of the government increased by 26 billion rials above the amount proposed by the government in the bill.

He added: Our tax revenues have increased by about 10 percent annually. In '62 [21 March 1983-20 March 1984], they were about 62 billion rials, and then they increased to 70 billion rials, then 80 billion rials, and we hope they will reach 95-100 billion rials by the end of this year. We anticipate the same trend to continue next year.

#### Other Revenues

In the government bill, 535.2 billion rials have been projected as other revenues for '65 [1986-87], which, considering the decrease in oil revenues and the negative reaction of the committee towards borrowing, we in the committee tried to increase the other revenues of the government somewhat. We increased the sum of 535 billion rials to 613.5 billion, that is an increase of 80 billion rials. We hope this figure can be collected.

In the government budget bill, "returns from the previous year" were 85 billion rials, which were increased to about 100 billion rials in the committee.

The plan and budget committee projected 3,753.6 billion rials as the total of these revenues, in other words, the oil revenues, tax revenues, other revenues and the returns from the previous year in addition to the borrowings from the banking system.

In '64 [1985-86], borrowings from the banking system were 200 billion rials. Unfortunately, this year, 390 billion rials have been stated in the government budget.



The plan and budget committee, with the examination and the increases that were made in other areas, decreased this amount of 390 billion rials to 354.3 billion rials.

He added: Under the present circumstances of the country, with most of the expenditures consisting of current expenditures and even 30 percent of the developmental expenditures are also current expenditures, obviously, it cannot have a very clear and constructive direction in that sense.

The 984 billion rials that the government had proposed in the developmental sector was increased in the committee as developmental and fixed investment expenditures to 1,147.3 billion rials. In other words, 163.1 billion rials were given to the developmental sector as an important priority.

#### Current Funds

The plan and budget spokesman said: The imbalance in government revenues and payments concern the current budget. Unfortunately, the current budget, too, has had a disruptive increasing trend for the country and the regime. If this trend continues, it would not leave the grounds for a sound social and economic movement in our society. The government's estimate in the bill for the five-year plan was 2,050 billion rials annually in oil revenues. But in the area of current expenditures, it had suggested that no more than a 5 percent increase should be allotted every year.

And we were to increase developmental expenditures by 13 percent. Unfortunately, this ratio is now completely the reverse. The current budget has increased by more than 13 percent, but the developmental budget has reversed. On the other hand, oil revenues have gone down.

One of the steps taken by the plan and budget committee was to bring the 2,800 billion rial ceiling of the current budget, which was contrary to the circular letter of the government itself, to 2,606 billion rials.

Until 1363 [21 March 1984-20 March 1985], we used to put a note in the current budget and the oil products were procured from the current budget funds. During the past two years, we have not had this note and the government treats this note as separate from the budget. Now, if this amount too is increased (about 180 billion rials), the growth of the current budget will increase.

He added: The following parentheses have clarified how much this current budget is with regard to the expenditures, how much the foreign loans are, and how much the related expenditures are. Fortunately, in connection with the imposed war, it shows an increase of 30 billion rials.

With the measures taken by the plan and budget committee, 30.6 percent of the budget is developmental, which is a positive step.

We omitted many notes that were legislative in nature or did not seem to belong in the budget. The government budget had about 60 notes. The number was reduced to a total of 36 notes.

In connection with the developmental projects of the Ministry of Petroleum, the government had included 69 billion rials. We reduced the 69 billion rials to 60 billion rials. But then we granted permission to the Ministry of Petroleum, if it is able to sell over the ceiling of 140 billion rials (before the events of the decrease in the price of oil), to use up to 90 billion rials for the developmental projects of the Ministry of Petroleum.

Note 16, which had tested well last year, was again included this year, and we hope many of the developmental projects will be carried out with the cooperation and self help of the people.

For exports and foreign trade (non-petroleum exports), we included 10 billion rials as the total for expenditures, which is a positive step towards non-Petroleum exports.

Note 18 of the '64 [1985-86] budget law has been taken into consideration as Note 29, Paragraph "L."

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CSO: 4640/227

IRAN

# SHAH'S SON OPTIMISTIC ABOUT COUNTRY'S FUTURE

London KEYHAN in Persian 6 Mar 86 p 5

[London KEYHAN weekly in Persian; founder and publisher Dr Mesbahzadeh]

[Interview with Christian Marlar, one of the authors of Reza Pahlavi's biography]

[Text] Christian Marlar, one of the authors of Reza Pahlavi's Biography, is the Editor-in-chief of LTR, ['Luxembourg Radio-Television'] Foreign Affairs [Division]. The other author is Alain Rodier who is affiliated with Channel One of French Television.

On the occasion of the French publication of this book, our colleague Afsaneh Bassirpur interviewed Marlar. The following is part of the interview.

[Question] Your book is titled "Reza Pahlavi, The Shah's Son; To Regain Power from Exile". Would you tell us what prompted you to decide to write such a book?

[Answer] First, I have to say that Alain and I have spent a long time in Iran. Towards the end of 1977, when the first signs of unrest were being observed in Iran, we went to Tehran and witnessed the end of the Shah's days and the beginning of Iran's revolution. Also on 1 February 1977, when Khomeyni returned to Iran, we were on the same plane and I never forgot that when asked what he felt about returning home, he said: "nothing".

In 1983, some Iranian friends suggested that Alain and I meet with Reza Pahlavi. It was interesting for us to find out what was going through this 23-year old man's head and whether this young man who called himself a king at age 20 was a political man.

Therefore, we met with the Pahlavi Prince. Our first interview lasted five hours. It was interesting to discover that this young man's manner of thinking, his intelligence and maturity were well above average for his age, which was 23 at the time. After that, several more times we had many hours of interviews and discussions in France and Morocco.

Then, we said to ourselves that we were journalists and as the journalists put it, we now had a good "subject".

Because this young man has a very strong personality and is willing to take action, his views on the period of Pahlavi regime are very realistic and his outlook for the future is very interesting and particularly healthy. So, we decided to write a book about this young prince. In the summer of 1984, we sought his opinion on the matter and received a positive response within two or three days. In October of 1984, we went to America to visit him. We also had hours of conversation with Shahbanuo Farah and Joel, Reza's French nurse who had been with him until he was 16.

[Question] Is the Pahlavi Prince friendly?

[Answer] Yes, he has a warm disposition. He seems to be clear about the motivation behind what he is doing. He speaks with emotion and hand movements and shows great interest in the struggle.

He is an enthusiastic person, in appearance and in his views.

Of course, there are advisors of different ages around him and it seemed to us that he would have done a lot more by now, if he had been acting alone.

[Question] So, you believe the people around the Pahlavi Prince are preventing him from carrying out his plans?

[Answer] No, what we mean is that it seems as if some of his advisors are trying to calm him down and reduce his political fever.

[Question] Do you think the [political] climate is favorable for Reza Pahlavi inside Iran? Is he in touch with the people of Iran?

[Answer] Of course, nothing can be done without having connections inside. A few days ago, a female journalist had come from Iran. Of course, this lady is not a monarchist personally, but she says that the young Shah enjoys a great deal of support in Iran. However, the people ask themselves: "What is this young man doing, what is he waiting for?"

This lady adds, the people in Iran say: "For us, the young Prince is the symbol of freedom. What is he doing? We are waiting for him to rescue us from Khomeyni's claws."

[Question] It was clear from your book that in your view the Iranian opposition is scattered and unorganized. Have you met with the leaders of the opposition? What do you think?

[Answer] It is obvious that Dr Amini's views and those of the Pahlavi Prince are very similar. It seems like Dr Bakhtiar is the one who opposes the establishment of the Constitutional Assemblies. Dr Bakhtiar has told us that he has nothing against Reza Pahlavi personally, but opposes some of the people surrounding him and their views; and expresses his concerns in regard

to the Prince's future. At the moment, the existing differences among the opposition are similar to those between Chirac and Giscard in France. If they don't unite, they will probably not succeed.

On the other hand, even though Rajavi is better organized, he does not have a good reputation, as far as the Iranians are concerned. The Iranians know that he is receiving money from Iraq, every month.

It is said that Rajavi receives a monthly payment of five million dollars from Iraq and is no longer popular in Iran. And most of the Iranians we see, say that if he takes charge it will be worse than Pol Pot in Cambodia. Some also say that Khomeyni is better than Rajavi.

[Question] Have you also asked Prince Reza about the Pahlavi wealth? What did he say?

[Answer] He said that his family's wealth is \$67 million from which \$10 million belongs to him and this is the money he uses for his activities.

[Question] What was your impression about what he said?

[Answer] That the liberation of Iran depends only on the nation's wish and will and the nation must rise and topple the regime.

[Question] You know that the people's mobilization against his father was led by Khomeyni's followers, now who is going to lead the people against Tehran regime?

[Answer] The Pahlavi Prince; so far of course, this has been in theory only, but apparently next year will be a determining year.

Like you, we requested details and of course, in answer, he said: "due to strategic reasons, I can't describe the details."

He only said that he is in contact with the heads of all the countries in the area, and has also established contacts with the leaders of Western countries.

It seems to us that the doors are closed from the Soviet Union's side, but the Pahlavi Prince, himself, told us: "They are mistaken. The doors are open." His goals are to first establish peace between Iran and Iraq and then topple Khomeyni's regime. As to how he is going to do that, we have to wait and see.

[Question] The Constitutional Assemblies were first established without Dr Amini and Dr Bakhtiar's consent. Isn't the Pahlavi Prince thinking that he doesn't need these two men's forces?

[Answer] First of all, Dr Amini is now in favor of the Constitutional Assemblies; and secondly, yes, he knows that he needs Dr Amini and Dr Bakhtiar, a hundred percent.



[Question] Another interesting thing he says in the book is that his father never gave him any political education.

[Answer] Yes, it is very strange to me too, and this is one of his big disappointments. According to Reza Pahlavi, himself, he didn't get to see his father for more than 15 minutes a day.

[Question] Then who is responsible for his political education?

[Answer] Reza Pahlavi, himself; even though he is no older than 25, enjoys the maturity of an older man. Besides, there are mature people around him. For example, Foroughi has been in politics for years and has known the world's great political personalities. So far, I haven't heard anyone, even Iranians, to bad-mouth him. Of course, he has several young Harvard advisors also. We think that the difference of opinion among his advisors has somewhat slowed down the rhythm of his political movements.

[Question] Yesterday, in your interview with RTL Radio you said that the Pahlavi Prince was counting on Khomeyni. He has said "Khomeyni, himself, is my ticket to victory."

[Answer] Yes, quite true. He means the more people hate Khomeyni, the more they will lean towards him.

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CSO: 4640/224

IRAN

## MEDICAL TECHNOLOGY COOPERATION SIGNED WITH GDR

Tehran KEYHAN in Persian 27 Jan 86 p 2

[Text] Professor Steinwent, Deputy Minister of Health for the German Democratic Republic, who came to Tehran several days ago, gave an exclusive interview to our correspondent at the conclusion of his talks with officials from the Ministry of Health and Medical Education. He discussed the goals and results of his trip to Iran.

During this trip we became familiar with your country's needs in the area of medical and health treatment equipment. Our mutual interest is to limit our dependence on imperialist countries, and this is the goal of our cooperation.

He added: This is the first delegation to come to Iran from the Democratic Republic of Germany's Ministry of Health, and it is really an answer to a trip made to our country five years ago by an Iranian delegation of physicians led by your deputy minister of health. We would like to have more cooperation and closer ties with Iran in the areas of science, technology, and medical products.

The German Democratic Republic Deputy Minister of Health also said: Our cooperation so far has been in the area of scientific relations. Of course we have given a number of dentists to Iran, but during this trip we signed an agreement with Iran, and we will sign other agreements in the future for additional cooperation. This agreement provides that we will find ways to exchange technology in the production of raw materials and to become mutually familiar with the standards of the two countries.

At the conclusion of this interview, Steinwent discussed his country's medical capability.

At the conclusion Dr Nik-Nezhad, Deputy Minister for Drugs in our country's Ministry of Health and Medical Education, discussed the trip to Iran by Steinwent, Deputy Minister of Health of the German Democratic Republic and the level of our pharmaceutical and medical cooperation with this country. Dr Nik-Nezhad said:

To date we have not imported any kind of drug from the German Democratic Republic. Pharmaceutical products from Eastern European countries are not basically of high quality, and our exchanges of drugs with countries such as Hungary, Bulgaria, and Yugoslavia have fallen to a minimum.

Dr Nik-Nezhad added: Five years ago when we examined the pharmaceutical resources of the Democratic Republic of Germany, we were unable sign a pharmaceutical agreement with them for two reasons. One reason is that this country must meet its own needs under pharmaceutical agreements it has with socialist countries. The other reason is that presently we are mostly concerned with studying the quality of their pharmaceuticals, and we have not yet imported any kind of drug from the German Democratic Republic.

The Health Ministry Deputy Minister for Drugs said in conclusion:

In his trip to Iran, the Deputy Minister of Health of the German Democratic Republic visited the country's centers for health care, health treatment, health education, and pharmaceuticals in Tehran, Qazvin, and Takestan, met with the minister and deputy ministers of this ministry, and signed an agreement.

9310

CSO: 4640/221

IRAN

BRIEFS

ACCORD WITH CUBAN NEWS--Havana, March 23 IRNA--The Islamic Republic News Agency (IRNA) and the official Cuban news agency, PRENSA LATINA, signed an agreement on mutual cooperation here Saturday. The IRNA head, Dr Kamal Kharrazi who headed an Iranian delegation to the fourth general assembly of news agencies of the Non-Aligned Movement (NAM) member countries here and the head of PRENSA LATINA signed the agreement. The two also emphasized the need for the expansion of mutual cooperation between the two news agencies in the fields pertaining to the NAM goals. The agreement embodies an all-out cooperation between IRNA and PRENSA LATINA especially in the field of news exchanges. [Text] [Tehran IRNA in English 1240 GMT 23 Mar 86 LD]/12766

CSO: 4600/261

PAKISTAN

MRD RALLY IN LAHORE SAID TO PORTEND DISINTEGRATION

Lahore NAWA-I-WAQT in Urdu 7 Feb 86 Special Edition p 1

[Report by Saeed Ali]

[Excerpts] The day of the MRD [Movement for the Restoration of Democracy] general meeting was 29 January. The MRD started a propaganda campaign in right earnest to make the people attend the rally in large numbers. They stuck posters on the walls, distributed pamphlets and made announcements over loud speakers, and efforts were made to stir up feelings of love of freedom among the people. All factions within the MRD had made separate plans for going to the meeting in a procession, and each of them wanted to demonstrate its strength on this occasion. Along with the procession, many party flags and pictures of the leaders were being exhibited, and party workers arrived outside Mochi Gate, the site of the meeting, displaying new slogans and dancing to the tune of drums, arousing an appreciation of freedom among the people. Until one o'clock in the afternoon there was nothing in the auditorium, but outside on the road you could see political freedom in full bloom. With the arrival of the MRD leaders on the stage, the auditorium started bustling with activity, and an air of festivity reigned. Lack of organization and discipline was also becoming increasingly apparent and the boldness of the People's Party workers clearly showed what their inner desires are. Despite the excitement and thrill of political freedom, the general plan in the auditorium fell far short of the one announced during the propaganda campaign. If an honest attempt were made to count the number of people attending the meeting, the number would not exceed 50,000 or 60,000. However, the number of people attending the meeting is an encouraging factor, but if the joint strength displayed by the 11 parties constituting the MRD were to be taken into account the position of each individual party would become crystal clear.

The meeting began. Mr Rao Rasheed assumed the responsibilities of master of ceremonies and all the MRD leaders took their seats. For the first two speeches, conditions were favorable, the atmosphere was pleasant even though during this period, just below the stage, ladies belonging to the People's Party and the Tahrik-e Istiqlal were busily engaged in a slogan-chanting competition. At the same time, efforts continued to place Mr Asghar Khan's photo beside that of Mr Bhutto. After Maulana Mufti Mahmoud's photo was brought to the stage, attempts were made to snatch it, but apart from that the overall state of affairs was quite satisfactory. When Rao Rasheed, before inviting Malik



Mohammed Qasim to deliver a speech, asked the people to raise their hands to indicate whether or not they recognized the official Muslim League, signs of commotion and confusion became visible in the auditorium. Meanwhile, Malik Qasim had come to the stage and was preparing to deliver his speech when there was a sudden explosion on the right side of the stage, creating confusion and agitation. Malik Qasim had hardly time to ask who was doing all this and who was responsible for the explosion when there were explosions in different places in the auditorium. The meeting was in turmoil and there was panic everywhere. Amidst this confusion, people were rushing towards the stage in their attempt to leave the auditorium. This was one of those occasions when everyone's heartbeat either quickens or falters, knowing that in such panic human lives have no value. About this time, among the people in the auditorium, could be seen some four or five people who had blood dripping from their faces and one injured young man who had become unconscious. He was removed with great difficulty and laid down on the press table. It seems that when the firecrackers exploded the left side of the young man's coat had been ripped off entirely and blood had coagulated inside his mouth. For about 15 minutes the young man lay on the table in front of the news correspondents who tried to bring him back to consciousness by rubbing the soles of his feet and sprinkling water over his face. But he remained unconscious, giving rise to the anxiety that the young man might possibly have fallen victim to this meeting, and thus, finally, he was taken out of the auditorium. After regaining consciousness, the young man confessed that he was brought from Gujranwala to Lahore especially to set off firecrackers and that he was also paid for doing this work. After about 20 minutes of commotion and unpleasantness, the meeting got underway for a second time in an atmosphere of tumult and disorderliness. Malik Qasim, who is considered expert in enlivening a meeting, felt his voice suppressed in this tumult and went away disappointed. Then Allama Ehsan Ilahi was summoned. All this time disorderliness continued in the auditorium. Many people were chanting slogans when Allama Ehsan Ilahi began to address the people soon after his arrival. He shouted that the supporters of Ziaul Haq should stand up and those who favor democracy should sit down. There was a general whispering in the auditorium and people sat down. Until Air Marshal Asghar Khan addressed the rally, conditions resembling its intent prevailed. But as Asghar Khan approached the microphone, conditions once again became uncontrollable. When he reached the stage, pigeons were released into the air. From among the crowd slogans clamoring "Registration un-acceptable, Asghar Khan go back" were shouted, and this disorderliness continued during Asghar Khan's speech. He did not protest or walk out but continued his speech, even during the commotion and disturbance. He left only after he finished his speech. This condition prevailed as Sayed Ghaus Bux Bazenjo was to speak. He walked away, but returned to the stage afterward. After the master of ceremonies managed to restore order, he invited Mr Bazenjo to address the people once again. Wali Khan delivered his speech. Next Maulana Fazlur Rehman addressed the meeting and Nawabzada Nasrullah Khan also delivered a fiery speech that captivated the audience. Ghulam Mustafa Jatoi, during his speech, played a cassette containing a speech by Miss Benazir Bhutto. However, it did not seem to create the same feeling of enthusiasm as that of a live speech. The MRD seemed to have no message to convey through the rally except a real desire to demonstrate its strength. The MRD member who organized the rally, Parwez Saleh, was the last to speak and did not sound enthusiastic. The people's impression was that, even though this meeting was bigger than the 14 August 1985 rally,

considering the program and lack of discipline it will lead to the disintegration of the MRD, and this assessment appears to be correct. After the meeting, the impression Tahrik-e Istiqlal had about the MRD is clearly indicative of the future of this 11-party alliance.

The Central Action Committee of the MRD began meeting on 30 January. The first session was held at the residence of Parwez Saleh. No controversial issue was raised in this session and nine parties of the MRD endorsed the stand taken by the People's Party that the member parties should submit their accounts to the election commission to help the MRD continue its political activities. The People's Party stand did not impress Tahrik-e Istiqlal because, along with submitting its accounts to the election commission, it had also submitted its application for registration. This state of affairs pleased the MRD in that its members had acknowledged at least some facts and were not insisting on boycotting every possible matter.

The MRD's 31 January session was held at the residence of Malik Hakemain Khan. This was a crucial stage for the MRD, being, at this point, rather like a balloon that could either start leaking or be pumped too full and face the risk of bursting. Instead, the balloon was allowed to drift away under uncertain conditions, left in God's care as to whether it would burst or remain sound. The issue in question was the MRD's stand in respect of the 1973 constitution. The NDP [National Democratic Party] had repudiated that stand. When the MRD's agenda for election alliance, an independent program and provincial autonomy came under discussion, Mr Asghar Khan asked for an explanation of the MRD's position on the 1973 constitution in light of the NDP's latest stand. Mr Wali Khan replied that the NDP's stand on the 1973 constitution was clear and that only some Messiah could keep it alive. Nawabzada Nasrullah Khan could not control himself. He said that the 1973 constitution formed the basis of the MRD and without it there was no moral reason for the parties to be sitting together. Wali Khan, taking a cue from this, said that, if the MRD would permit them, they would leave. Mr Bazenjo said that every party would be thinking of leaving the MRD because "we demand much more autonomy" than the NDP. Mr Jatoi insisted that the NDP should withdraw its stand on the constitution. Begum Wali Khan, replying to Jatoi, said that they were not prepared to go back on their decision and added that the MRD could go ahead if it so desired. Fateh Ali Khan tried to wrap up the issue by saying that Tahrik-e Istiqlal, by submitting its application for registration, had accepted the 1985 constitution and, as such, had no reason to oppose the NDP's stand on the constitution. But it was clear that this matter could not be closed easily. This one point reflected the end of the MRD. Nawabzada Nasrullah Khan proposed that the issue should be settled in the MRD's next session and that in the meantime, every party should clarify its position on the 1973 constitution and the MRD election alliance. The meeting was thus deliberately postponed for 2 months. Nawabzada Nasrullah Khan thus managed to extend the MRD's life by another 2 months. But if any untoward incident were to happen before that time, this borrowed life could be in jeopardy.

Despite all the activities of the MRD, things have come to such a pass that two friendly parties within the MRD alliance--People's Party and Tahrik-e Istiqlal--have become adversaries. They are engaged in issuing statements

against each other and Tahrik-e Istiqlal has practically expressed a desire to leave the MRD alliance. The MRD is not prepared to change its stand on the constitution, and its new ability to assemble has raised new problems in its struggle for survival. The public movement has this new ability to assemble, though no other province except Sind has any organization whatsoever. Except as interim headquarters, the MRD is now being run without any organization on the provincial level or out in the affiliated districts. When the MRD public meeting is held on 21 February in this disorganized and undisciplined atmosphere, no one will have any doubt but that the political existence of the MRD will be faced with the uneasy situation explained by Sahir Ludhianawi in these terms:

"Some knew, some believed that the day would come when it would be hard to live and impossible to die."

9315/12766

CSO: 4656/52

PAKISTAN

IJT CHIEF INTERVIEWED, DEFENDS ORGANIZATION'S ROLE

Karachi DAWN in English 28 Feb 86 Magazine p I

[Article by Muhammad Ali Siddiqi]

[Text]

In the thick of student violence these days, the name of one student party figures prominently, that of the Islami Jamiat-e-Talaba. Whether it is a sticks-and-knives affair at a medical college or a campus shootout with Kalashnikovs, you can bet IJT boys are there where the action is. Whether they are victims of violence or the perpetrators of it is a moot point.

Syed Mohammad Abbas, its *Nazim-e-Aala* (chief) for Karachi, feels his party doesn't automatically acquire notoriety simply because it is in news, and bad news.

"Violence makes news", he said, "and naturally the public hears our name involved in fights and shootouts. But if you go into details you will invariably find the Jamiat victim rather than guilty of violence."

Abbas, a final year M.B.A. student, is helped in his statement by two recent deaths. Both students, Syed Mohammad Ali, of Urdu Science College, and Shahab Ahmad, of Sind Medical college, belonged to the Jamiat.

Which is not to say there have been no non-Jamiat deaths, or that the IJT is any the less involved in agitation and machinegunning than other student parties. In fact, over the years, its rivals allege, the fact that an "Islamic Government" is in power seems to have gone

to IJT's head and it has adopted a posture that otherwise would have not been possible.

IJT critics also wonder whether or not the administration and education authorities have worsened the matter by taking sides and by mishandling the entire affair, including such controversial steps as prolonged closures of the educational institutions and the eviction of students from the hostels.

I asked Abbas what he thought of the closure.

Abbas said the closure of the University of Karachi, the N.E.D. Engineering University and of the two medical colleges was no solution to the problem.

"Our demand is," he said, "punish the guilty. Punish those who have killed Mohammad Ali and Shahab. This would be a lesson for all. Besides, I don't think those who killed the two boys were students. I think it is an insult to the students that those killers should be called students. Students and Kalashnikovs do not go together."

QUESTION: But Mohammad Ali's and Shahab's killers alone do not have Kalashnikovs. I believe your boy too use them, and quite efficiently. What has an Islamic educational system, — your main plank — to do with Kalashnikovs?

ABBAS: When the administration does not provide any protection to a citizen and he feels unsafe and insecure, he is left with no option but to defend himself. I ask the administration, what have you done about these two boys who were

murdered in cold blood? They were not, mind you, killed in a shootout; no, they were picked up and shot.

Mohammad Ali was standing in line in the university's administrative block to get some certificate, when he was shot without provocation, and Shahab, along with two other students, was returning from a hospital visit when their motorcycle was stopped by a car that came from behind and then Shahab was shot.

Q: But there must have been some reason for those coming in the car to have picked up Shahab as the target. There must have been a background to this particular crime on Shara-e-Faisal in broad daylight?

A: No, all the three students on the motorcycle were our boys. When the men in the car took out the revolvers, they started running, but the bullet hit Shahab in his head. It could as well have hit any of the three. In fact, Shahab was a friendly type and was on good terms with all irrespective of party affiliations. He fell victim to mindless violence.

Q: But must you have attacked the Allama Iqbal Hostel at midnight the other day? Why didn't you let the law take its course?

A: I wouldn't condone the attack on the hostel. Besides, the IJT didn't attack the hostel. It was attacked by Shahab's SMC colleagues who felt enraged at his death.

Q: But there were IJT boys among the attackers.



**A:** There may have been, but the IJT itself was not involved in that affair. Besides, it is difficult to control young blood when you see the administration indifferent to violence and deaths. Full one month had passed and the police did nothing to trace the killers. On the other hand, when a jeweller was killed in Hyderabad, the police managed to arrest the alleged murderers from a jungle within two days. But here it took the police more than a month to arrest two of the eight accused from a place in Gulshan-e-Iqbal right in the city.

As for the background to these killings, well, there was an attack on IJT members and supporters in the Dow Medical College premises on Jan 13, and all that the police did was to register a case under Section 307 against all, including those who were the victims of attack. The idea was that the whole affair should be presented as a clash rather than as an attack. In fact, none of the attackers was injured, while some of those against whom the police registered the case nursed their wounds in hospitals for a week or more.

We were victims of these attacks because as a party we do not believe in violence. If we had really believed in violence, we could have done much more. We believe in exercising self-restraint.

**Q:** I don't think you exercised restraint when you killed Shaukat Cheema, and I think he was then standing in a mosque. Also, a student, perhaps his name was Qadir, was killed, and the police registered a case. But the IJT boys carried out a campaign deflating bus tyres and creating trouble in the city. Ultimately you had the FIR changed.

**A:** About Cheema — the facts are that two students were killed that day on the campus, the other being Danish Ghani. On that day there was an election and we had won. A clash followed because the losers did not accept their defeat gracefully. On the other hand, whenever IJT loses an election, it respects democratic results. About the Qadir case, I can't say much because of possible contempt of court, since a trial is on. All I can say is that we have to defend

ourselves because we feel insecure. Suppose, I were to go out of the *Dawn* office and was likely to be shot I would like to prepare myself for defence.

**Q:** Coming to *Dawn* and newspapers, remember the IJT burnt down the offices of *Jang*, Karachi, and *Nawa-e-Waqt* Lahore? Was there any justification for that attack?

**A:** If I remember correctly the trouble arose because of a wrong news item about the alleged hijack attempt by an IJT office-bearer. The news was totally false. This had enraged our boys.

**Q:** So instead of coming up with a denial you burnt down two newspaper offices?

**A:** As I said earlier it is not always easy to control young blood. Things can be worse if we do not try to control emotions. Precisely now, the city of Karachi is very tense. The situation can take any turn, but we are exercising maximum restraint.

**Q:** Coming to those deaths, one could understand if the IJT were under attack from progressive and leftists. But as it is it has got itself involved in conflict with parties with ethnic nomenclatures. Could it be that because the overwhelming majority of IJT students are Mohajirs, the IJT has acquired an ethnic colour and is, therefore, locked in conflict with other ethnic oriented bodies?

**A:** No, the IJT's programme is based on an all-embracing ideology, which recognises no ethnic boundaries. Of course, the membership roll is bound to show the ethnic reality of a given city or province. In the Punjab, for instance, the IJT membership is bound to be Punjabi, in Frontier, Pathan, and so on. In the recent clashes in Karachi it is true we were attacked by students using an ethnic name. But as I said earlier they are hardly students. Most of them are not even formally enrolled with any college or university. And they operate from hostels, and we all know what use these hostels are put to. Hostels are very cheap, and they don't even pay these cheap rates. Besides, the hostels are very safe for all sorts of goings-on because it is not easy for the police to raid a student hostel and arrest some inmate without prior permission.

The whole hostel system has collapsed. Most hostels are now reserved — unofficially, of course — for this province or that. For instance, the NED has six hostels, the K.U. and D.M.C. four each and S.M.C. about the same number. But you find to your horror that each particular hostel is supposed to be reserved for students from this province or that. This doesn't make sense, but that's how the situation is. We do not believe in ethnic nomenclatures or issues of a provincial nature, because IJT membership consists of boys from all of Pakistan's provinces and different ethnic groups.

I say again that the closure of the university and colleges and the emptying of the hostels are no solution to the problem. All educational years and semesters are behind schedule. This is February 1986 but the NED students are still in the September 1984 semester. This is true of all other professional colleges in varying degrees. I say punish the guilty, but open the educational institutions. Closure is no solution. If there is an accident on the road, you don't close the road down.



PAKISTAN

## OFFICIAL DENIALS ON POLITICAL PRISONERS CRITICIZED

Lahore VIEWPOINT in English 13 Mar 86 p 7

[Article by Linesman]

[Text]

**TO COLLOQUIALISE** about an important current theme — the release of political prisoners —, Government spokesmen dealing with the matter are being too clever by half.

They keep repeating that there are only two (or three) political prisoners in the whole country. When challenged on the basis of facts, the falsehood is justified on the strength of convoluted thinking which allows them to claim that all political activists sentenced to various terms of imprisonment by military or other courts and tribunals must not be listed as political prisoners. They are said to be criminals, because in defying political bans they were convicted for offences under the criminal law or Martial Law Regulations. Then, apart from these involved in politics, there are prisoners of conscience like Dr. Zafar Arif of Karachi, who has been kept in detention for more than a year without proper charge or trial. How does the Federal Justice Minister view this case? How does the Professor's dissent from the Establishment's political philosophy make him a criminal?

### Bizarre happenings

All this is balderdash. Nowhere in the world can this sort of explanation for denial of liberty be accepted. It offends against common sense and ignores the U.N. Charter of Human Rights which lays down a simple

definition for a political prisoner. The rule cannot be contested that everyone arrested and detained for political activity must be accepted and treated as a political prisoner. If the Ministers who defend Government policy are convinced about the correctness of its position, why have they not accepted Malik Qasim's challenge and published the charges against each one of the political leaders and workers who are now languishing in jails? Publication of the charge-sheets would allow the people and the world to decide which of them was guilty of any crime and how many are incarcerated merely because of their political views and actions. The Kafkaesque functioning of departments concerned with law and order is shown up by the police raids to arrest two political activists who were hanged last year and another who is safely lodged in jail. Will someone explain these bizarre happenings?

It is equally meaningless for Government spokesmen to go on saying, about once a month, that the cases of certain detainees are under consideration. If the Government were earnest about reviewing their cases, the task should have been completed within a few weeks. No administrator has any right to procrastinate in a matter that involves the freedom of innocent citizens. The early release of all political prisoners is anyhow demanded by the principles of justice; and by not doing so the present Government weakens, even forfeits, its oft-made claim to being a functioning demo-

cracy. Further urgency is lent to the demand by the fact that many of these prisoners are ill and need proper medical attention, which is not available in our prisons.

At its next meeting, the MRD must take a stand on this issue and work out plans to compel the Government to accept the reasonable demand that no-one should be deprived of his liberty on any grounds without a fair trial and that no person should be kept behind bars merely because those in authority do not approve of his views.

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CSO: 4600/251

PAKISTAN

ANTI-PAKISTAN SLOGANS DENOUNCED

Karachi DAWN in English 17 Mar 86 p 7

[Text] THERE have been predictable expressions of indignation and concern over certain anti-Pakistan slogans raised by a small section of the welcoming crowd on Saturday when Khan Abdul Ghaffar Khan arrived in Karachi from Peshawar. According to reports, some youngsters betrayed an unpatriotic tendency by chanting slogans which called for the undoing of Pakistan. This is wholly impermissible. Those who indulge in this kind of activity put themselves outside the pale of patriotism and deserve no sympathy. Political pluralism and the right of dissent can be invoked only as long as the airing of different opinions remains subject to the rule of basic loyalty to the State. It is permissible to propagate a wide variety of opinions but violators of allegiance to the State cannot legitimately claim the right to freedom of expression. What they are after is fundamentally opposed to Pakistan's sovereignty and territorial integrity — something which is wholly inimical to the permanent interests of the people. This newspaper is not in the habit of sitting in judgment over the basic patriotism of persons opposed to the Establishment or those who

hold and express heterodox political opinions. For that is their privilege as long as it is exercised under the normal law of the land. But chanting of slogans calling for the undoing of Pakistan is no form of permissible heterodoxy. It is illegal and calls for condemnation in the strongest terms.

We note the fact that some organisers of the welcome to Bacha Khan have disowned the small band of processionists who raised the offensive slogans. But whether they can be entirely absolved of responsibility in the matter is debatable. Clearly, it is the duty of all organisers of such proceedings to ensure that rallies and meetings organised by them are not exploited by malcontents. Aberrations of this kind cannot but reflect upon the organising ability and sense of responsibility of the parties concerned. It is the induction of a civilian government which has made it possible for political rallies and demonstrations to be held legally. We should all cherish this freedom and use it for the larger good of the country and the people and pre-empt those who, out of foolhardiness or disloyalty to the country, act in a manner which tends to discredit this freedom.

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CSO: 4600/251

PAKISTAN

## COMMENTARY VIEWS PLAN TO DISTRIBUTE LAND TO LANDLESS

Karachi DAWN in English 17 Mar 86 p 7

[Text]

SINCE popular support has again come to mean something after the lifting of martial law, the Punjab Chief Minister has launched a seven-marla scheme to give land to 'deserving' people. For this purpose a high-powered committee has been set up to devise a procedure for receiving applications, selecting suitable land, and thereafter allotting residential plots. Along with this scheme there is a parallel one aimed at distributing 75,000 acres of State land, in units of 12 acres, among landless peasants in the province. It was the PPP Government which had initiated a scheme to give five-marla plots to landless people. The fierce expectations aroused as a result were only partially fulfilled. Still, it was a feather in that Government's cap, since the rhetoric, if nothing else, was seen as proof of its commitment to the welfare of the poor. Whatever the political considerations behind these schemes, they are targeted at the bottom of the social heap. As such, they deserve to be welcomed unreservedly. That is not to say that all doubts are stilled, but these doubts relate to procedure rather than the substance of the proposals.

Whatever the precise recommendations to be framed by the high-powered committee, it has been made clear that "applications" will be invited for the allotment of seven-marla plots as well as for the distribution of the 75,000 acres of State land. When the provincial branch of the (official) Muslim League was being formed in Lahore, the Punjab Chief Minister had assured the assembled MPAs that these schemes would be implemented with their assistance and on the basis of their recommendations. Does this mean that the 'fitness certificate' obtained from the quarters will prove decisive in the matter? If it does, then there is the danger that the scheme might fall prey to political favouritism — much like the present arms licence policy, which has become an easy way for legislators to placate their constituents. This is not to suggest that anything hatched by legislators is worse than something done by bureaucrats. The objection, rather, is to the idea of applications being processed at a distance from the rural hinterlands. Everyone does not enjoy the same access to an MNA or MPA. Those with limited or no access are, therefore, bound to suffer. Further-

more, the filing of applications, and then pursuing them, is easier for people with a smattering of education or those who are otherwise more enterprising. Although the post-partition land grab occurred on a much vaster scale (and involved far more people), the principle was the same: those who were quicker on their feet got more than their rightful share.

For these reasons, the body that will (hopefully) be set up eventually to implement the schemes should try to reach out to the people rather than waiting for the people to approach it. Every village in Punjab has its share of landless people. While it is impossible for even the most well-intentioned committee to visit each and every village, it can do the next best thing, which is to visit every tehsil headquarter. The applications can then be processed with the assistance of the concerned revenue officials (tehsildars, gardawars, patwaris and even lambar-dars), with the added precaution that this is done in a reasonably open manner rather than behind closed doors. Sifting through the applications in Lahore, on the other hand, is bound to accrue to the advantage of a favoured few.

The real problem, of course, is that landlessness exists on such a large scale that it can be tackled effectively only through proper land reforms, in which reasonable ceilings on ownership are fixed and the excess land is acquired by the State for distribution among the poor. Measures that fall short of that goal can be temporary palliatives, not a lasting cure. Distributing 75,000 acres will not even scratch the surface of the problem. Nor will the seven-marla scheme, even if implemented in good faith, provide plots to all those who stand in need of them. Still, if scepticism is cast aside for a moment, it can safely be said that these are small steps in the right direction. What remains to be seen is the fervour and diligence with which they are taken. All too frequently, grandiose plans are announced only to be forgotten soon afterwards. The Punjab Government would do well to avoid a repetition of this story. If it fails to deliver, its credibility will suffer a serious blow.

But if it achieves something tangible, it will have a useful asset to point to when the next elections come around.



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